

USG ASSISTANCE

Department of State (INL) Budget (\$000)

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
Andean Counterdrug Initiative (ACI)			
Bolivia Total	91,000	90,272	80,000
<i>Bolivia: Alternative Development/Institution Building</i>	41,752	41,664	37,000
<i>Bolivia: Interdiction</i>	49,248	48,608	43,000
Brazil Total	10,200	8,928	6,000
Colombia Total	473,900	462,767	463,000
<i>Colombia: Alternative Development/Institution Building</i>	149,279	124,694	124,757
<i>Colombia: Interdiction</i>	324,621	310,694	310,850
<i>Colombia: Rule of Law</i>		27,379	27,393
Ecuador Total	35,000	25,792	20,000
<i>Ecuador: Alternative Development/Institution Building</i>	14,912	14,880	11,540
<i>Ecuador: Interdiction</i>	20,088	10,912	8,460
Guatemala Total		992	
Nicaragua Total		992	
Panama Total	6,487	5,952	4,500
Peru Total	116,000	115,370	97,000
<i>Peru: Alternative Development/Institution Building</i>	49,705	53,866	43,000
<i>Peru: Interdiction</i>	66,295	61,504	54,000
Venezuela Total	5,000	2,976	3,000
Air Bridge Denial Program		11,111	21,000
Critical Flight Safety Program			40,000
Total ACI	737,587	725,152	734,500
South Asia			
Afghanistan		89,280	260,000
Afghanistan ERF	50,000		
Afghanistan SUP	170,000		
Pakistan	31,500	32,150	40,000
Subtotal South Asia	251,500	121,430	300,000
Western Hemisphere			
Bahamas	1,000	992	500
Guatemala	3,000	2,820	2,500
Haiti			15,000
Jamaica	1,500	1,488	1,000
Mexico	37,000	39,680	30,000
Latin America Regional	4,850	3,224	2,000
Subtotal Western Hemisphere	47,350	45,384	51,000

Department of State (INL) Budget
(Continued)
(\$000)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Requested
Global			
Anticorruption/Rule of Law		6,746	3,000
Asia Regional	1,000	495	
Civilian Police Program	2,700	2,678	2,700
Demand Reduction	5,000	9,920	3,000
INL Anticrime Programs	11,324	8,333	10,000
International Law Enforcement Academies	14,500	12,734	13,500
International Organizations	12,200	5,000	10,000
Interregional Aviation Support	70,000	66,620	70,000
Program Development and Support	13,850	13,850	14,000
Systems Support and Upgrades	5,000	694	
Trafficking in Persons	12,000	4,960	5,000
United Nations Crime Center	1,000	496	
Subtotal Global	148,574	135,347	131,200
Total Regional and Global	460,274	326,189	523,874
Total	1,197,861	1,051,341	1,258,374

International Training

International counternarcotics training is managed/funded by INL and carried out by the DEA, U.S. Customs and Border Service, and U.S. Coast Guard. Major objectives are:

- Contributing to the basic infrastructure for carrying out counternarcotics law enforcement activities in countries which cooperate with and are considered significant to U.S. narcotics control efforts;
- Improving technical skills of drug law enforcement personnel in these countries; and
- Increasing cooperation between U.S. and foreign law enforcement officials.

INL training continues to focus on encouraging foreign law enforcement agency self-sufficiency through infrastructure development. The effectiveness of our counternarcotics efforts overseas should be viewed in terms of what has been done to bring about the establishment of effective host country enforcement institutions, thereby taking drugs out of circulation before they begin their journey toward the United States. U.S. law enforcement personnel stationed overseas are increasingly coming to see their prime responsibility as promoting the creation of host government systems that are compatible with and serve the same broad goals as ours.

The regional training provided at the ILEA's consists of both general law enforcement training as well as specialized training for mid-level managers in police and other law enforcement agencies.

INL-funded training will continue to support the major U.S. and international strategies for combating narcotics trafficking worldwide. Emphasis will be placed on contributing to the activities of international organizations, such as the UNODC and the OAS. Through the meetings of major donors, the Dublin Group, UNODC and other international fora, we will coordinate with other providers of training, and urge them to shoulder greater responsibility in providing training, which serves their particular strategic interests.

INL will maintain its role of coordinating the activities of U.S. law enforcement agencies in response to requests for assistance from U.S. Embassies. This will avoid duplication of effort and ensure that presentations represent the full range of USG policies and procedures.

International Law Enforcement Academies (ILEAs)

The mission of the ILEAs has been to support emerging democracies, help protect U.S. interests through international cooperation and to promote social, political and economic stability by combating crime. To achieve these goals, the ILEA program has provided high-quality training and technical assistance, supported institution building and enforcement capability and has fostered relationships of American law enforcement agencies with their counterparts in each region. ILEAs have also encouraged strong partnerships among regional countries, to address common problems associated with criminal activity.

The ILEA concept and philosophy is a united effort by all of the participants-government agencies and ministries, trainers, managers, and students alike-to achieve the common foreign policy goal of international law enforcement. The goal is to train professionals that will craft the future for rule of law, human dignity, personal safety and global security.

The ILEAs are a progressive concept in the area of international assistance programs. The regional ILEAs offer three different types of programs: the Core course, specialized training courses and regional seminars tailored to region-specific needs and emerging global threats. The Core program typically includes 50 participants, normally from three or more countries. The Specialized courses, comprised of about 30 participants, are normally one or two weeks long and often run simultaneously with the Core course. Topics of the Regional Seminars include transnational crimes, counterterrorism and financial crimes.

The United States has amended the money laundering portion of the Core course presented at each ILEA to address terrorist financing, significantly increasing the number of instruction hours dedicated to this critical topic. The ILEA program partner agencies (see below) are working on finalizing a new Specialized course that would focus specifically and in detail on terrorist financing, to be offered at all the ILEAs.

The ILEAs help develop an extensive network of alumni that exchange information with their U.S. counterparts and assist in transnational investigations. These graduates are also expected to become the leaders and decision-makers in their respective societies. The Department of State works with the Departments of Justice, Homeland Security and Treasury, and with foreign governments to implement the ILEA programs. To date, the combined ILEAs have trained over 13,000 officials from 68 countries in Africa, Asia, Europe and Latin America. The annual ILEA budget averages approximately \$16-17 million.

Africa. ILEA Gaborone (Botswana) opened in 2001. The main feature of the ILEA is a six-week intensive personal and professional development program, called the Law Enforcement Executive Development Program (LEEDP), for law enforcement mid-level managers. The LEEDP brings together approximately 45 participants from several nations for training on topics such as combating transnational criminal activity, supporting democracy by stressing the rule of law in international and domestic police operations, and by raising the professionalism of officers involved in the fight against crime. ILEA Gaborone also offers specialized courses for police and other criminal justice officials to enhance their capacity to work with U.S. and regional officials to combat international criminal activities. These courses concentrate on specific methods and techniques on a variety of subjects, such as counterterrorism, anticorruption, financial crimes, border security, drug enforcement, firearms and many others.

Instruction is provided to participants from Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania and Zambia. This area of focus was expanded to include key countries (Djibouti, Ethiopia, Kenya, Uganda) in East Africa and Nigeria in West Africa. Eventually this gradual expansion will reach other sub-Saharan African countries. United States and Botswana trainers provide instruction. ILEA Gaborone has offered specialized courses on money laundering/terrorist financing related topics such as Criminal Investigation (presented by FBI) and International Banking & Money Laundering Program (presented by DHS/FLETC). ILEA Gaborone trains approximately 450 students annually.

Asia. ILEA Bangkok (Thailand) opened in March 1999. The ILEA focuses on enhancing the effectiveness of regional cooperation against the principal transnational crime threats in Southeast Asia—illicit drug trafficking, financial crimes, and alien smuggling. The ILEA provides a Core course (the Supervisory Criminal Investigator Course or SCIC) of management and technical instruction for supervisory criminal investigators and other criminal justice managers. In addition, this ILEA presents one Senior Executive program and 12 to 14 specialized courses—lasting one to two weeks—in a variety of criminal justice topics. The principal objectives of the ILEA were the development of effective law enforcement cooperation within the member countries of the Association of Southeast Asian Nations (ASEAN) plus China and the strengthening of each country's criminal justice institutions to increase their abilities to cooperate in the suppression of transnational crime.

Instruction is provided to participants from Brunei, Cambodia, China, Hong Kong, Indonesia, Laos, Macau, Malaysia, Philippines, Singapore, Thailand and Vietnam. Subject matter experts from the United States, Thailand, Japan, Netherlands, Australia, Philippines and Hong Kong provide instruction. ILEA Bangkok has offered specialized courses on money laundering/terrorist financing related topics such as Computer Crime Investigations (presented by FBI and DHS/BCBP) and Complex Financial Investigations (presented by IRS, DHS/BCBP, FBI and DEA). Total annual student participation is 550.

Europe. ILEA Budapest (Hungary) opened in 1995. Its mission has been to support the region's emerging democracies by combating an increase in criminal activity that emerged against the backdrop of economic and political restructuring following the collapse of the Soviet Union and its former satellite regimes. ILEA Budapest offers three different types of programs: an eight-week Core course, Regional Seminars and Specialized courses in a variety of criminal justice topics. Instruction is provided to participants from Albania, Armenia, Azerbaijan, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

Trainers from 17 federal agencies and local jurisdictions from the United States and also from Hungary, Canada, Germany, Great Britain, Holland, Ireland, Italy, Russia, Interpol and the Council of Europe provide instruction. ILEA Budapest has offered specialized courses on money laundering/terrorist financing related topics such as Investigating/Prosecuting Organized Crime and Transnational Money Laundering (both presented by DOJ/OPDAT). ILEA Budapest trains approximately 950 students annually.

Global. ILEA Roswell (New Mexico) opened in September 2001. This ILEA offers a curriculum comprised of courses similar to those provided at a typical Criminal Justice university/college. These four-week courses have been designed and are taught by academicians for foreign law enforcement officials. This Academy is unique in its format and composition with a strictly academic focus and a worldwide student body. The participants are mid-to-senior level law enforcement and criminal justice officials from Eastern Europe, Russia, the Newly Independent States (NIS), Association of Southeast Asian Nations (ASEAN) member countries and the People's Republic of China (including the Special Autonomous Regions of Hong Kong and Macau); and member countries of the Southern African Development Community (SADC) plus other East and West African countries. The students are drawn from pools of ILEA graduates from the Academies in Bangkok, Budapest and Gaborone and other selected participants mainly from Latin American and the Caribbean. ILEA Roswell trains approximately 400 students annually.

Drug Enforcement Administration

The primary responsibility of the Drug Enforcement Administration (DEA) is to reduce the threat posed to our nation by illicit narcotics. The majority of illegal drugs impacting American society are produced outside of the United States and smuggled into our country. These illegal drugs are smuggled from their country of origin and often transit other nations before arriving in the United States. Thus, a strong international commitment to counternarcotics law enforcement is required to effectively blunt this menace. In cooperation with other U.S. agencies and foreign law enforcement counterparts, DEA strives to disrupt the illicit narcotics distribution chain; arrest and prosecute those involved in all aspects of the illegal drug trade and seize their profits and assets.

DEA's contribution to our nation's international counternarcotics strategy is accomplished through the 80 offices located in 58 nations that DEA maintains worldwide. The DEA overseas mission is comprised of the following components:

- Conduct bilateral investigative activities;
- Coordinate intelligence gathering;
- Coordinate training programs for host country police agencies;
- Assist in the development of host country drug law enforcement institutions and engage in foreign liaisons.

The emphasis placed on each component is determined by conditions and circumstances within the host nation. In nations where the law enforcement infrastructure is advanced and well developed, the DEA office may tailor its activities to specific areas that best support host nation efforts. In countries lacking a robust law enforcement capability, DEA personnel may provide assistance in all four of the mission areas annotated above. The following sections highlight the assistance that DEA provided during 2003 to host nation counterparts in support of the four established mission components.

Bilateral Investigations

Historical Operations

Operation Alcatraz. Operation Alcatraz is a SOD supported multi-national, multi-jurisdictional OCDETF wire intercept operation targeting North Coast of Colombia-based drug transportation organizations headed by Freddy Witt-Rodriguez, Gabriel Zuniga, both Colombian Nationals, and Jamaica-based drug transportation organizations headed by CPOT Norman Ramcharan and his brother RPOT Leebert Ramcharan, Norris Nembhard and Robroy Williams, all Jamaican Nationals. The Colombian organizations have been linked to the Autodefensas Unidas De Colombia (AUC) and are responsible for transporting multi-ton quantities of cocaine via go-fast vessels from the North Coast of Colombia to the Caribbean for subsequent transshipment to the United States. This operation, which has utilized 230 Colombian wire intercepts, has required a high level of multi-national cooperation and coordination between the governments of Colombia, Jamaica, Panama, the United Kingdom, and the U.S. As of December 31, 2004, this operation has resulted in the arrests of 59 defendants, including CPOT Norman Ramcharan (UK), and the seizure of 10,710 kilograms of cocaine and \$513,000 in U.S. currency. An additional \$5,000,000 in assets related to the traffickers in this operation has been targeted for forfeiture.

Operation Busted Manatee. On June 23, CPOT Elias COBOS-Munoz and 56 associates were arrested at the culmination of Operation Busted Manatee, a 29-month, multi-jurisdictional Organized

Crime Drug Enforcement Task Force (OCDETF) investigation. Arrests occurred in the United States, Canada, Colombia, Panama, Jamaica, and the Bahamas. The investigation, coordinated by the DEA Special Operations Division, was conducted by DEA offices in New York, Miami, Nassau, Kingston, Panama, Bogotá, Cartagena, and Ottawa. According to intelligence information, COBOS-Munoz has been the leader of a Colombian-based drug trafficking organization responsible for the importation of more than 13,000 pounds of cocaine per month from Colombia to the United States since 2000. The supply and transportation networks targeted by this effort were responsible for approximately 10 percent of the cocaine available in the United States. As of December 31, 2004, Operation Busted Manatee had resulted in 96 arrests and the seizure of 6,354 kilograms of cocaine, 1,165 pounds of marijuana and \$28,877,755 in assets. This investigation was conducted with Immigration and Customs Enforcement, the Internal Revenue Service, the Florida Highway Patrol, the New York Police Department, the Royal Canadian Mounted Police, the Royal Bahamas Police Force, the Colombian National Police, the Jamaican Constabulary and Defense Force, the Panama Judicial Police, and Her Majesty's Customs and Excise.

Operation Brain Drain. On September 15-22, 2004, an 18-month multi-jurisdictional OCDETF/PTO investigation targeting ephedrine and methamphetamine trafficking organizations in the United States and Canada culminated in the arrest of 59 individuals. Armando Solis, the leader of a central California methamphetamine trafficking organization, and Rodger Bruneau, who supplied ephedrine through a Canadian pharmaceutical company since 2000, were among those arrested. According to investigative information, Bruneau is responsible for the illegal sale of 10 tons of ephedrine since 2001. As of December 31, 2004, Operation Brain Drain had resulted in 101 arrests and the seizure of two clandestine labs (including a "super lab"), more than .6 metric tons of ephedrine powder, 1.7 million ephedrine tablets, .04 metric tons of methamphetamine, \$479,257 in U.S. currency, 21 vehicles, 30 weapons, and \$3.5 million in Canadian currency. If converted, the seized ephedrine would produce over .5 metric tons of methamphetamine. This investigation was coordinated by the DEA Special Operations Division (SOD) and conducted by DEA offices in Sacramento, California, Buffalo, New York, Miami, Florida, the DEA Vancouver Resident Office, the Internal Revenue Service (IRS), Immigration and Customs Enforcement (ICE), and the Royal Canadian Mounted Police (RCMP).

Operation Candy Box. Operation Candy Box was a three-year investigation that targeted a Vietnamese MDMA and marijuana distribution organization operating in the United States and Canada. The target organization imported MDMA powder from the Netherlands and in clandestine laboratories in Canada, pressed it into approximately one million MDMA tablets per month for distribution in the United States and Canada. Approximately \$5 million per month in drug proceeds were transported to Canada in bulk currency and/or laundered through a network of Vietnamese-owned money remitters and travel agencies in both the United States and Canada.

Operation Candy Box concluded on March 31, 2004 with dismantlement of the organization and the arrest of 161 individuals in Canada and throughout the United States. As of December 31, 2004, Operation Candy Box had resulted in a total of 224 arrests and the seizure of \$8.9 million in U.S. currency, 409,300 MDMA tablets, 1,546 pounds of MDMA powder, 1,976 pounds of marijuana, 6.5 pounds of methamphetamine, 62 weapons, and 38 vehicles.

Caribbean Initiative. The Caribbean Initiative was a series of investigations coordinated by the Special Operations Division that targeted Colombian cocaine trafficking organizations utilizing the Caribbean corridor to transport drugs destined for the United States. These organizations were responsible for distributing three metric tons of cocaine in the United States every month, amounting to at least 10 to 20 per cent of the U.S. cocaine supply. Through use of electronic eavesdropping techniques, DEA worked with foreign law enforcement counterparts to identify and attack the most significant drug traffickers impacting this region as well as their command and control infrastructure and financial operations.

The Caribbean Initiative included eight successful investigations which each dismantled large-scale organizations. The four-year initiative concluded in June 2004 and as of December 31, 2004 resulted in a total of 354 arrests, including five Consolidated Priority Organization Targets (CPOTs) and the seizure of 26,584 kilograms of cocaine, 7,196 pounds of marijuana, and more than \$86 million in currency and other assets.

Operation Caso M. Operation Caso M was an SOD supported multi-jurisdictional, multi-national OCEDEF targeting the Dominican Republic-based Colombian cocaine trafficking organization, headed by CPOT Jose Arismendy Almonte-Pena, a Dominican National. The ALMONTE-Pena organization was one of the most significant cocaine transportation and distribution organizations operating in the Caribbean, transporting approximately 2,000 kilograms of cocaine each month from South America to Puerto Rico and the Caribbean for distribution in the continental United States. Operation Caso M which was initiated in October 2002, by the DEA and the Federal Bureau of Investigation (FBI), encompassed investigations in seven domestic judicial districts and the countries of Colombia, Dominican Republic and Venezuela and demonstrated a high level of cooperation among multi-national partners in the Caribbean. Operation Caso M culminated in November 2003, and as of December 31, 2004, resulted in 23 arrests including CPOT ALMONTE-Pena, the seizure of 193 kilograms of cocaine and \$4,464,000 in assets/U.S. currency.

Operation Choque. This OCEDEF and Special Operations Division (SOD) coordinated investigation has produced 94 arrests and the seizure of 1,407 kilograms of cocaine, 523 pounds of marijuana, 10 pounds of methamphetamine, and \$10.6 million in U.S. currency. More significantly Operation Choque has dismantled a money transportation organization associated with Joaquin Guzman-Loera and Vicente Carrillo-Fuentes responsible for moving over \$87 million in drug proceeds from the U.S. to Mexico since December 2002. Operation Choque has also disrupted a significant international drug distribution cell based in Guatemala, headed by CPOT Jorge Mario Paredes-Cordova that was supplying cocaine to the New York and Chicago areas. DEA agents employed the use of 50 court-authorized wiretaps during the course of the investigation. Operation Choque encompasses investigations in 11 judicial districts (Colorado, Chicago, New York, Greensboro, NC, Albuquerque, NM, Indianapolis, IN, Detroit, MI, Amarillo, TX, El Paso, TX, Houston, TX, Phoenix, AZ, Wilmington, DE and four countries (United States, Mexico, Guatemala, and Colombia).

Operation Containment. Operation Containment is an intensive, multinational, law enforcement initiative that was congressionally mandated in 2002 and is led by DEA. It involves countries in Central Asia, the Caucasus, the Middle East, Europe, and Russia.

The following 18 countries are participating in Op Containment:

Afghanistan, Armenia, Azerbaijan, Bulgaria, Germany, Greece, India, Kazakhstan, Kyrgyz Republic, Pakistan, Tajikistan, Turkey, Turkmenistan, Russia, Ukraine, Uzbekistan, United States, and the United Kingdom.

The following are the goals of Operation Containment.

- Implement a coordinated post-Taliban heroin counternarcotics strategy to reduce the production of opium through the prevention of poppy cultivation and destruction of known opium stockpiles and heroin laboratories.
- Diminish the availability of heroin and morphine base in countries surrounding Afghanistan and along the Balkan and Silk Road trafficking routes.
- Deny safe havens to criminal organizations involved in drug trafficking, drug related terrorist activities, and money laundering. To deprive these organizations of their financial basis for their activities.

- Engage in proactive enforcement and intelligence gathering operations targeting the command and control structure of heroin trafficking organizations operating in Afghanistan and the greater Southwest and Central Asian region.
- Continue implementing administrative, diplomatic, and investigative measures needed to reduce the flow of Afghan heroin into world markets and prevent Afghanistan from becoming a major heroin supplier to the United States.
- In order to accomplish these goals DEA has enhanced the staffing levels of the Kabul CO to seven special agents, three intelligence analysts, and two support personnel. The intelligence analysts will be assigned to the following locations: the CFC-A Intelligence Fusion Center in Kabul, the CJTF-76 at Bagram Air Base, and the other government agency fusion center on the Embassy compound.
- Further office enhancements have already taken place with increased special agent positions at the Ankara, Turkey CO, Istanbul, Turkey RO, London, England CO, and Moscow, Russia CO. An IA and Admin position is also in place in the Ankara, Turkey CO.
- DEA also plans to enhance the special agent staffing levels at the Tashkent, Uzbekistan CO and Brussels, Belgium CO. In addition, DEA plans to open up a new DEA Country Office in Bishkek, Kyrgyz Republic.
- In a response to a request by the Administration and the U.S. Ambassador to Afghanistan, DEA detailed its Assistant Administrator for Intelligence to serve as the Counter Narcotics Coordinator (CNC) in Afghanistan. The CNC has been in Kabul since mid-August 2004, and is responsible for overseeing all U.S. Government counternarcotics programs in Afghanistan.
- In May of 2003, DEA established a SIU in Tashkent, Uzbekistan—a country critical to containing the threat of Afghan opium.
- The Kabul CO's primary counterpart in Afghanistan is the Counter Narcotics Police—Afghanistan (CNP-A). DEA has established the National Interdiction Unit (NIU), which are CNP-A officers who have been selected to work narcotic enforcement operations with the Kabul CO and later assisting the FAST program agents. DEA will advise, train, and mentor these NIU officers. On October 28, 2004, the first class of CNP-A NIU, graduated from their six-week training program. The class of 28 graduating officers included 2 women. On December 16, 2004, the second NIU class of 24 officers, including two women, graduated and is operationally deployed. It is expected that by April of 2005 100 NIU officers will have completed their training and will work directly with Kabul CO and FAST program agents.

On September 28 and 29, 2004, the DEA Ankara, Turkey CO and the Turkish National Police co-hosted delegates from the above 18 partner countries. This action oriented conference resulted in proactive initiatives designed to counter the threat from Afghanistan opiates within the region. Four initiatives were developed in order to accomplish the above-mentioned goals.

- Collective identification and targeting of five major Drug Trafficking Organizations (DTOs).
- Promotion of international money laundering investigations against regional DTOs.
- Participants agreed to develop a target list of DTOs actively involved in the illicit distribution of acetic anhydride (AA) and other precursor chemicals. In addition, they agreed on the collective identification of Heroin Chemists operating in the region.

- All agreed on increased sharing of investigative leads and intelligence since DTOs operate across national boundaries. Participants agreed to forward these leads and intelligence to the Regional Drug Intelligence Initiative in Tashkent, Uzbekistan. Leads and intelligence will also be shared with the Intelligence Fusion Centers in Kabul, Afghanistan comprised of various government agencies.

In FY 2004, Operation Containment resulted in the seizures of 14.9 metric tons of heroin, 7.7 metric tons of morphine base, 5.9 metric tons of opium gum, 77 metric tons of cannabis, approximately 3.6 tons of precursor chemicals, 498 arrests, and the seizure of 11 heroin labs, and led to the dismantlement or disruption of major distribution and transportation organizations involved in the Southwest Asian heroin drug trade. In the first quarter FY 2005, Operation Containment resulted in the seizure of 2.4 metric tons of heroin, 985 kilograms of morphine base, 3.0 metric tons of opium gum, 152.9 tons of cannabis, and 195 arrests.

Some of the noteworthy seizures for the first quarter of FY 2005 are listed below:

- In November and December 2004, the Kabul CO and CNP-A arrested three Afghan National drug traffickers in Kabul, Afghanistan. All three defendants were part of a Kabul CO initiated undercover operation, which resulted in the seizure of four kilograms of heroin. The defendants were indicted within the Southern District of New York for conspiracy to import 200 kilograms of heroin into the U.S. All three traffickers are in Afghan custody pending their extradition and or lawful surrender to the U.S. for prosecution.
- On December 4, 2004, the Istanbul, Turkey RO and the Turkish National Police (TNP) seized 566 kilograms of heroin concealed inside hollow pieces of marble in Mersin, Turkey. Four Turkish Nationals were arrested and approximately 100,000 Euro (\$133,263 USD) was seized. The heroin originated in Afghanistan and was destined for markets in the Netherlands.
- On November 28, 2004, the Kabul CO and the CNP-A NIU raided two mountainous compounds in Lowgar Province, Afghanistan and seized approximately 140 metric tons of marijuana. The marijuana was in the process of being converted into hashish.
- On November 9, 2004, the Istanbul RO and TNP seized 110 kilograms of heroin in a stash location in Istanbul, Turkey. A total of eight (8) Turkish Nationals and two foreign nationals were arrested. The heroin originated in Afghanistan and was destined for markets in Western Europe.
- On October 20, 2004, the Istanbul RO and TNP seized 60 kilograms of heroin from a vehicle in Istanbul, Turkey. Five (5) Turkish Nationals were arrested. The heroin originated in Afghanistan and was destined for markets in the Netherlands.
- On October 19, 2004, the Istanbul RO and TNP seized 82 kilograms of heroin from the trunk of a vehicle in Istanbul, Turkey. Twelve (12) Turkish Nationals were arrested and nine (9) illegal firearms seized. The heroin originated in Afghanistan and was destined for markets in Western Europe.

Operation Cyber-Pharming. On August 26, 2004, the DEA Bangkok Country Office and DEA Newark Division completed Operation Cyber-Pharming, an eight-month investigation, with the dismantlement of a pharmaceutical controlled-substance Internet trafficking organization in Thailand. The Royal Thai Police arrested Achitphon Khonseechai, the leader of the organization, and seven associates on charges that could result in a sentence of more than 20 years to life imprisonment. Khonseechai operated a Bangkok-based Internet website and pharmacy that shipped millions of dosage units of various pharmaceutical controlled substances, including Valium®, Xanax®,

phenobarbital, and codeine combination drugs, to at least 36 states since 2003. Customers of the website were only required to complete an online questionnaire prior to receiving drugs. As of December 31, 2004, Operation Cyber-Pharming has resulted in eight arrests and the seizure of approximately 500,000 dosage units of various pharmaceutical controlled substances. This investigation was conducted in coordination with the following Thai agencies: Customs Department, Bangkok Intelligence Center, Office of the Narcotics Control Board, Postal Inspectors, Food and Drug Administration, and Express Mail Service.

Operation Double Talk. Operation Double Talk is a SOD supported multi-jurisdiction, multi-national OCDETF wire-intercept operation targeting Bahamian-based cocaine trafficking organization headed by Melvin Maycock and Sean Adderly, both Bahamian nationals operating in Jamaica and the Bahamas. Initially, NYFD T-43 conducted T-IIIs against cocaine/heroin trafficking cells run by Juan CESPEDES. As a result of the New York operations, not only was a cocaine distribution cell (moving 500 kilogram shipments) disrupted but also a Heroin mill capable of distributing approximately 30-50 kilograms per month was seized and assets worth more than \$5,000,000 are being forfeited by the Southern District of New York and DEA. Additionally, The Miami Field Division working in conjunction with The New York Field Division conducted the first non-consensual intercepts of Satellite telephones in the U.S. This organization is responsible for transporting multi-hundred kilograms of cocaine via maritime methods from Jamaica to the United States via the Bahamas. These loads of cocaine were being transported into Miami, Florida from the Bahamas and then further trucked up to New York for distribution. The inherent violence of these traffickers became clearly established when in February 2004, one of the primary targets, Sean Adderly was brutally murdered in Negril, Jamaica as a result of drug related activities. As of December 31, 2004, Operation Double Talk had resulted in 31 arrests and the seizure of 285 kilograms of cocaine, 1, 500 pounds of marijuana, and \$8,409,200 in assets.

Operation Lucky Mai. On June 7, 2004, DEA culminated a one-year OCDETF/ PTO investigation, Operation Lucky Mai, with the dismantlement of an international marijuana trafficking and money laundering organization. The operation resulted in the arrest of 31 individuals in the United States and Canada, including leaders of the organization Oanh Phan and Trong Nguyen. According to intelligence information, since 2002, the organization operated several large-scale indoor marijuana cultivation sites in Canada. The resulting high potency marijuana was subsequently exported to distribution cells in the United States. During a six-month period in 2003, the organization produced approximately 9.1 metric tons of marijuana per month. An estimated \$70 million in drug proceeds was laundered by the organization from the United States to Toronto, Canada. As of December 31, 2004, Operation Lucky Mai had resulted in 41 arrests and the seizure of over \$5 million in U.S. currency, 5 metric tons of marijuana, and 3,000 MDMA tablets. This investigation was supported by the SOD and conducted with the Michigan State Police, ICE, IRS, the Canadian Customs and Revenue Agency, and the RCMP.

Operation Mapale. From November 21-December 5, the Bogotá CO, the Colombian National Police, and the Colombian military executed Operation Mapale II, targeting laboratories controlled by the Autodefensas Unidas de Colombia (AUC), the Fuerzas Armadas Revolucionarias de Colombia (FARC), and the North Valley Cartel in southwest Colombia. Results include the seizure of 800 kilograms of cocaine HCl, 70 kilograms of cocaine base, 13 kilograms of heroin, 9560 gallons of liquid precursor chemicals, 1,540 kilograms of precursor chemicals, \$40,454 U.S. currency, and the destruction of 22 cocaine laboratories and 103 hectares of coca plants. Ten arrests were made. Results of Operation Mapale and Operation Mapale II combined include the seizure of 1,297 kilograms of cocaine HCl, 12,941 kilograms of cocaine base, 13 kilograms of heroin, 54,629 gallons of liquid precursor chemicals, 38,002 kilograms of solid precursor chemicals, \$55,839 U.S. currency, the destruction of 81 cocaine laboratories and 103 hectares of coca plants, and 16 arrests.

Operation Northern Star. Operation Northern Star was an 18-month investigation targeting the illegal importation of pseudoephedrine, an essential chemical used in the production of methamphetamine. The investigation revealed that three Canadian chemical companies sold bulk quantities of pseudoephedrine to a trafficking organization that smuggled the chemical across the U.S.-Canadian Border and transported the substance to the west coast where it was sold to methamphetamine “super lab” operators. Operation Northern Star concluded in April 2003 and resulted in a total of 97 arrests and the seizure of more than 17 metric tons of pseudoephedrine (which could produce approximately 10.4 metric tons of methamphetamine) and \$3.9 million in U.S. currency. The trafficking organization and one of the Canadian companies were dismantled. The two remaining Canadian companies were disrupted.

Operation Panama Express. Operation Panama Express is a joint operation designed to disrupt and dismantle major maritime drug smuggling organizations operating from the Pacific and Caribbean coasts of Colombia. The operation is conducted by DEA and several other federal, state, and local law enforcement authorities, including the Federal Bureau of Investigation, Immigration and Customs Enforcement, and the Joint Interagency Task Force (JIATF). Begun in February 2000 as a Special Enforcement Operation known as “Operation Privateer,” the effort was renamed Panama Express in October 2003. As of December 31, 2004: 236,800 kilograms of cocaine seized; 102,714 kilograms scuttled; 775 arrests.

Operation Uprising. Operation Uprising is a Special Operations Division (SOD) supported multi-jurisdictional, multi-national investigation targeting members of the Fuerzas Armadas Revolucionarias de Colombia (Revolutionary Armed Forces of Colombia or FARC), including CPOTs Pedro Antonio Marin (a.k.a. Manuel Marulanda Velez), Jorge Briceño Suarez (a.k.a. Mono Jojoy), Jose Benito Cabrera Cuevas (a.k.a. Fabian Ramirez), and Tomas Molina Caracas (a.k.a. Negro Acacio), and the independent drug trafficking organizations supplied by the FARC.

1st Quarter, FY 2005. In October 2004, Venezuelan National Guard, DEA Caracas, and SOD Bilateral Case Group (BCG) agents arrested Corredor Ibague without incident in Venezuela. In November 2004, Carlos Ivan Mendes Mesquita, his son, and five additional defendants were arrested at a ranch in Northeastern Paraguay. During the execution of the warrant, the officers seized a twin-engine aircraft with a suspected load of 500 kilograms of cocaine. Several other important associates of Corredor Ibague also have been arrested.

In October 2004, the Colombian Military reported the capture of Jorge Enrique Rodriguez (a.k.a. Ivan Vargas), commander of the FARC 24th Front. Monies to finance the activities of the Front were generated from drug trafficking and kidnapping in the Southern Bolivar region of Colombia. Colombian authorities also captured Rodriguez’ girlfriend, Laura Emilise Rueda (a.k.a. Alejandra). Rueda reportedly was the Finance Chief of the FARC 24th Front. Colombian authorities assert that Rueda was in charge of coordinating the sale of cocaine produced by the FARC as well as acquiring supplies, weapons and munitions.

The continued success of Operation Uprising has been the result of the joint efforts of the Bogota Country Office, Panama City Country Office, Brasilia Brazil Country Office, Sao Paulo Resident Office, Foreign Operations Group of the Caribbean Field Division operating in Suriname, Caracas Country Office, Asuncion Country Office, Curacao Country Office, The Hague Country Office and the BCG.

As of December 31, 2004, Operation Uprising has resulted in 98 arrests and the seizure of 7,733.5 kilograms of cocaine and 205.5 kilograms of cocaine base. The most current phase of Operation Uprising is targeting the FARC 14th Front and the upper leadership of the entire FARC organization.

Operation United Eagles. In August 2003, the DEA Mexico Country Office initiated Operation United Eagles, a fugitive apprehension effort to apprehend Consolidated Priority Organization Targets

operating or living in Mexico. A fugitive apprehension team was created and as currently consists of 50 members of the Mexican Agencia Federal de Investigaciones (AFI) trained by DEA, U.S. Marshals and FBI.

Initially, Operation United Eagles has focused on locating and apprehending key leaders of the ARRELLANO-Felix Organization. As of December 31, 2004, Operation United Eagles has resulted in the arrest of 19 members of the AFO, including 5 “Tier I” members: Efran PEREZ, Jorge Aureliano-Felix, Gilberto HIGUERA-Guerrero, Giberto Camacho Valle, and Marco Antonio SIMENTAL-Garcia.

Operation Web Tryp. On July 21, 2004, Operation Web Tryp, an 18-month OCDETF and Priority Target investigation, resulted in the arrest of 10 individuals, including the operators of five internet websites. The individuals were arrested in California, Arizona, Louisiana, Georgia, and Virginia on charges of conspiracy and trafficking in drug analogues. Charges were filed utilizing the Controlled Substance Analogue Enforcement Act (CSAEA). Prior to the CSAEA, alterations to the chemical structure of a controlled substance would render the drug legal. The websites operated for an average of 2-3 years and had thousands of customers. Two fatal and 14 non-fatal overdoses have been connected with these internet operations.

After the July take down, DEA provided customer lists to the United Kingdom (UK) National Crime Squad for intelligence purposes. On December 15, the UK National Crime Squad and local UK police arrested 24 individuals in the UK for receiving drug analogues. Those arrested were customers of the five U.S.-based internet websites dismantled as a result of Operation Web Tryp. As of December 31, 2004, Operation Web Tryp had resulted in a total of 36 arrests. This investigation was coordinated by the DEA Special Operations Division (SOD) and conducted by DEA offices in San Diego and Riverside, California; Las Vegas, Nevada; Phoenix, Arizona; Albuquerque, New Mexico; Fargo, North Dakota; Baton Rouge, Louisiana; Macon, Georgia; Norfolk, Virginia; New York, New York; and London. Other agencies that also participated in the investigation include the Federal Bureau of Investigation (FBI), Immigration and Customs Enforcement (ICE), Food and Drug Administration (FDA), Internal Revenue Service (IRS), U.S. Postal Inspection Service (USPS), Naval Criminal Investigative Service, and the U.S. Forestry Service (USFS).

Operation White Dollar. On May 4, 2004, DEA, in cooperation with law enforcement entities in Canada, Colombia, Great Britain, New York, and Florida, culminated a two-year, multi-jurisdictional OCDETF investigation with the dismantlement of an international money laundering organization. Operation White Dollar resulted in the arrests of 27 individuals in the United States, Colombia, and Canada, including leaders Gabriel and Nicholas Otalvaro-Ortiz. Four Colombian companies involved in the scheme were also indicted and their common owner has agreed to the forfeiture of \$20 million from a seized bank account. The Otalvaro-Ortiz money laundering organization used the Colombian Black Market Peso Exchange to purchase drug proceeds from the United States and Canada at a reduced rate. This investigation was coordinated by the DEA’s SOD and the Office of Financial Operations with assistance from the IRS, the New York Police Department, the Office of the Special Narcotics Prosecutor for the City of New York, the Manhattan District Attorney’s Office, the South Florida Money Laundering Strike Force, the RCMP, the British National Crime Squad, and the Colombian Departamento Administrativo De Seguridad. As of December 31, 2004, Operation White Dollar resulted in the following:

- arrests: 27;
- value of assets seized: \$22,838,684.08;
- amounts laundered: \$7,465,659.00;
- amount of commissions received: \$449,045.15;

- total number of Transactions: 30.

1st Quarter FY2005 (October 1, 2004-December 31, 2004)

Arrest of Norte Valle Cartel (NVC) Lieutenant Dagoberto FLOREZ-Rios in Colombia. On December 28, the DEA Bogotá Country Office reported the arrest of NVC lieutenant Dagoberto FLOREZ-Rios by the Colombian National Police, Sensitive Investigative Unit, at a farm near Medellín, Colombia. One of five NVC fugitives being sought in Colombia, FLOREZ-Rios was indicted in April 2004 for cocaine trafficking and money laundering in the U.S. District Court, Eastern District of New York. FLOREZ-Rios was responsible for laundering drug proceeds for the NVC utilizing real estate investments, wire transfers, and money exchange houses.

Consolidated Priority Organization Target (CPOT) WONG Moon-chi Extradited to Hong Kong. On December 22, CPOT WONG Moon-chi was extradited from Cambodia to Hong Kong to face charges of trafficking in marijuana, amphetamine, and heroin. WONG was arrested on December 8 in Cambodia by the Cambodian National Police in a coordinated effort with the DEA Hong Kong and Canberra Country Offices and the Australian Federal Police. A member of the 14K Triad, the largest Hong Kong based ethnic Chinese organized crime group, WONG was one of the first CPOTS designated in September 2002. According to Chinese authorities, WONG is the organizer of a 1996 shipment of 1,300 pounds of heroin seized in China destined for the United States. WONG is also responsible for a 1996 seizure in China of four tons of marijuana destined for Japan and a 2002 seizure of 75 pounds of heroin en route from Cambodia to China.

Financial Consolidated Priority Organization Target (CPOT) Gilberto RODRIGUEZ-Orejuela Extradited to the United States. On December 4, Financial CPOT Gilberto RODRIGUEZ-Orejuela was extradited from Bogotá, Colombia to the United States to face charges of drug trafficking and money laundering. RODRIGUEZ-Orejuela was indicted in December 2003 in the U.S. District Court for the Southern District of New York and in January 2004 in the U.S. District Court for the Southern District of Florida as the result of OCDETF investigations conducted by the DEA New York and Miami Divisions and the DEA Bogotá Country Office. RODRIGUEZ-Orejuela and his brother Miguel founded and directed the notorious Cali cartel that became the world's chief supplier of cocaine in the 1990s and earned an estimated \$8 billion in annual profits.

Financial Consolidated Priority Organization Target (CPOT) Lino Antonio SIERRA-Vargas arrested in Colombia. On December 1, Financial CPOT Lino Antonio SIERRA-Vargas was arrested by the Colombian National Police in Colombia as the result of an eighteen-month OCDETF investigation conducted by the DEA Miami Division and the DEA Bogotá Country Office. SIERRA-Vargas was indicted in June on charges of conspiracy and money laundering in the U.S. District Court for the Southern District of Florida. Since 1997, SIERRA-Vargas was responsible for the distribution of 4.4 tons of cocaine and the laundering of more than \$5 million in drug proceeds. SIERRA-Vargas is awaiting extradition to the United States.

Afghanistan Heroin Trafficker Arrested. On November 27, as the result of a four-month investigation conducted by the DEA Kabul Country Office, Haji BAHRAM was arrested by the Counter Narcotics Police-Afghanistan. BAHRAM, aka Haji Bahram KHAN, a member of the Misri KHAN Afghanistan-based heroin trafficking organization, was indicted in September for conspiracy and heroin trafficking in the U.S. District Court, Southern District of New York. Misri KHAN was previously arrested in Afghanistan on November 4. According to the indictment, BAHRAM and KHAN negotiated the shipment of 440 pounds of heroin from Afghanistan to the United States. BAHRAM and KHAN are awaiting extradition to the United States.

Shipment of 1,900 Pounds of Opium Seized in Afghanistan. On November 17, 2004, the DEA Kabul Country Office (KCO) reported the seizure of 1,900 pounds of opium by the Counter Narcotics

Police-Afghanistan in Kabul, Afghanistan. The opium was being transported in a tanker-trailer truck. According to intelligence information, the opium originated in Northern Afghanistan and was being shipped to Kandahar, Afghanistan. The KCO is assisting the Counter Narcotics Police in development of investigative leads in an attempt to identify the organization responsible for shipping the opium.

Consolidated Priority Organization Target (CPOT) Zeev ROSENSTEIN Arrested. On November 8, 2004, the DEA Miami Division reported the arrest of CPOT Zeev ROSENSTEIN by the Israeli National Police in Tel Aviv, Israel. The arrest is the result of a three-year investigation and September indictment of ROSENSTEIN for trafficking MDMA in the U.S. District Court, Southern District of Florida. According to intelligence information, ROSENSTEIN is the leader of an Israeli criminal organization responsible for financing, coordinating and smuggling multi-million tablet shipments of MDMA from Belgium and Holland to the United States, Israel and Europe. Investigative information has linked ROSENSTEIN to a 2001 seizure in New York of 700,000 MDMA tablets and \$187,000 in U.S. currency. Extradition of ROSENSTEIN to the United States is pending.

Leader of Afghanistan Heroin Trafficking Organization Arrested. On November 5, 2004, the four-month investigation of an Afghanistan-based heroin trafficking organization by the DEA Kabul Country Office and the Afghan Counter Narcotics Police resulted in the arrest of Misri KHAN in Kabul, Afghanistan. KHAN, the leader of the drug trafficking organization, and four associates were indicted for conspiracy to import 440 pounds of heroin into the United States in September 2004 in the U.S. District Court, Southern District of New York. According to intelligence information, KHAN's organization manufactured and exported large shipments of heroin from Afghanistan and Pakistan to the United States, Asia, and Europe. KHAN's extradition to the United States is pending.

Top Lieutenant of CPOT Osiel CARDENAS-Guillen Arrested in Mexico. On October 29, 2004, the DEA Monterrey, Mexico Resident Office reported the arrest of Rogelio PIZANA-Gonzalez—a top lieutenant in the CPOT Osiel CARDENAS-Guillen drug trafficking organization—by the Mexican Agencia Federal de Investigaciones in Matamoros, Tamaulipas, Mexico. A Mexican federal agent was killed and two local police officers injured during a shoot-out that occurred during the arrest. Two of PIZANA-Gonzalez's bodyguards were also killed. In April 2002, PIZANA-Gonzalez was indicted on charges of conspiracy to import and distribute cocaine in the U.S. District Court, Southern District of Texas. According to intelligence information, PIZANA-Gonzalez was in charge of cocaine and marijuana transportation for the CARDENAS-Guillen organization and controlled a rural land corridor and a river crossing into the United States. PIZANA-Gonzalez has been linked to over 60 drug-related murders in Mexico. His extradition to the United States is pending.

Seizure of 2.2 Tons of Opium in Afghanistan. On October 25, 2004, the DEA Kabul Country Office (KCO) reported the seizure of 2.2 tons of opium in Nangarhar Province, Afghanistan. The opium was seized at a market and a nearby residential compound during a joint operation conducted by the KCO, the British Task Force 333, the British Drug Liaison Office, and the Counter-Narcotics Police—Afghanistan. Seventy-five individuals were detained for questioning and two were arrested. The operation was carried out with the support of the Combined Forces Command—Afghanistan Intelligence Fusion Center.

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Operation Money Clip, Phase 1 Resulted in Dismantlement of Money Laundering and Poly-Drug Trafficking Organization. On October 19, 2004, a one-year multi-jurisdictional Organized

Crime Drug Enforcement Task Force (OCDETF) investigation coordinated by the DEA Special Operations Division resulted in the dismantlement of a Mexican-based money laundering and poly-drug trafficking organization. Eighty-three individuals were arrested during this operation that involved investigations in several U.S. cities and Mexico. As of December 31, 2004, Operation Money Clip has resulted in seizures of \$4.4 million in U.S. currency, 2,552 kilograms of cocaine, 74 pounds of crystal methamphetamine, 40,295 pounds of marijuana, and 3 pounds of heroin. The organization laundered as much as \$200 million in drug proceeds and was responsible for the distribution of approximately 1,100 pounds of cocaine, 200 pounds of methamphetamine, 44 pounds of heroin, and 10,000 pounds of marijuana per month since 2002. This investigation was conducted with the Department of Homeland Security, Immigration and Customs Enforcement, and numerous U.S. state and local enforcement agencies.

Seizure of More Than 180 Pounds of Heroin and Arrest of 11 in Turkey. On October 19, 2004, investigations conducted by the DEA Istanbul Resident Office and the Turkish National Police resulted in seizures of more than 180 pounds of heroin in Istanbul, Turkey. A total of 11 Turkish nationals from two drug trafficking organizations were arrested as a result of the operations. According to intelligence information, one of the organizations involved is supplied by an Afghanistan source of supply identified and targeted in September as part of the Operation Containment targeting initiative.

Operation Sierra Mist. Operation Sierra Mist, is a Special Operations Division (SOD) supported multi-jurisdictional, multi-national Organized Crime Drug Enforcement Task Force (OCDETF) investigation targeting the communications of Auto Defensas De Colombia (AUC) Para military leaders Consolidated Priority Target (CPOT) Hernan Giraldo-Serna, Rodrigo Tovar-Pupo, and their supporting lieutenants.

On October 16, 2004, AUC lieutenant Alvaro PADILLA-Redondo was arrested in Colombia by the Colombian National Police, Antinarcotics Unit, as part of a four-year multi-jurisdictional investigation conducted by the DEA Cartagena Resident Office, the DEA Miami and New York Divisions, and the DEA Las Vegas District Office. In June 2004, PADILLA-Redondo, a member of the Consolidated Priority Organization Target Hernan GIRALDO-Serna drug trafficking organization, was indicted for conspiracy to import cocaine into the United States in the U.S. District Court, District of Columbia. According to intelligence information, PADILLA-Redondo was responsible for the security of maritime cocaine loading operations on the North coast area of Colombia. Extradition of PADILLA-Redondo to the United States is pending. As of December 31, 2004, Operation Sierra Mist has resulted in 20 arrests and the seizure of 17 cocaine laboratories, 8, 140 kilograms of cocaine, 20,590 gallons of precursor chemicals, and \$1.9 million in assets.

Operation Escandalo, Airline Chief of Security Arrested for Cocaine Smuggling. On October 14, 2004, the DEA Fort Lauderdale District Office arrested Stephanie AMBROISE in Miami, Florida, based on a criminal complaint issued in the Southern District of Florida on October 12, 2004. AMBROISE was the chief of security for American Airlines at the Port-au-Prince International Airport in Haiti. AMBROISE is the latest individual arrested in an investigation of cocaine smuggling under ousted Haitian President Jean-Bertrand Aristide. According to investigative information, AMBROISE was associated with several traffickers and used her position at the Port-au-Prince airport to bypass security. Intelligence indicates that she was responsible for the shipment of over 1,300 pounds of cocaine from Haiti to the United States per month from 2001-2003 and received \$2,000 in payment for each kilogram of cocaine smuggled. Other individuals arrested during this investigation include former Haitian Senator Flourel CELESTIN, former Chief of Palace Security Oriel JEAN, former Haitian National Police Commissaire Romaine LESTIN, former Chief of the Haitian National Police Narcotics Unit Evitz BRILLIANT, former Director General of the Haitian National Police Jean Nesley LUCIEN, and former Haitian National Police Commander Rudy THERASSAN. In addition, Consolidated Priority Organization Target Jean Eliobert JASME, Regional Priority Organization

Target Carlos OVALLE, and Haitian traffickers Beaudouin Jacques KETANT and Wista LOUIS have also been arrested. With the exception of AMBROISE who is currently out on bond, as of December 31, 2004, all of the aforementioned defendants were incarcerated in the United States. The investigation is being conducted with Immigration and Customs Enforcement, the Federal Bureau of Investigation, and the Internal Revenue Service.

Arrest of Financial CPOT Gabriel PUERTA-Parra in Colombia. On October 8, 2004, the DEA Bogotá Country Office reported the arrest of Financial CPOT Gabriel PUERTA-Parra by the Colombian National Police Sensitive Investigative Unit at a ranch in La Vega, Colombia. PUERTA-Parra, a former attorney for the Departamento Administrativo de Seguridad, the Colombian equivalent to the FBI, was indicted in the U.S. District Courts for the District of Columbia and the Southern District of Florida. Charges included violation of the Racketeer Influenced and Corrupt Organization Act, conspiracy, cocaine trafficking, and money laundering. According to intelligence information, PUERTA-Parra was a key counselor and advisor to the North Valley Cartel since the 1980's and an attorney for former Medellín Cartel leader Pablo ESCOBAR. PUERTA-Parra utilized a large range of legitimate businesses including investment and real estate companies, agricultural enterprises, and currency exchanges to launder drug proceeds through the United States, Mexico, Colombia, Ecuador, and Vanuatu. Extradition of PUERTA-Parra to the United States is pending.

4th Quarter FY2004 (July 1, 2004-September 30, 2004)

\$500 Million Pharmacy Chain Controlled by Financial CPOTs Miguel and Gilberto RODRIGUEZ-Orejuela Seized in Colombia. On September 22, the DEA Bogotá Country Office (BCO) reported the seizure in Colombia of 463 pharmacies and a pharmaceutical laboratory controlled by financial CPOTs Miguel and Gilberto RODRIGUEZ-Orejuela. The real property and inventory have been valued at an estimated \$500 million, the largest asset seizure in Colombia to date. The seizures were made by the Colombian National Police based on a two-year money laundering investigation conducted with the BCO, the DEA New York Division Strike Force, and the Office of Foreign Asset Control. Seizures occurred simultaneously in 28 of 32 regions in Colombia and involved the coordination of 3,200 law enforcement officers country-wide. The investigation revealed that the first pharmacy was purchased by Gilberto RODRIGUEZ-Orejuela in 1972. The brothers have utilized drug profits to develop the franchise and until the seizures, used the stores to launder drug proceeds. The Colombian government has replaced the company's top executives and future profits will be used to fund counternarcotics programs. Miguel and Gilberto RODRIGUEZ-Orejuela are currently incarcerated in Colombia as a result of drug-trafficking convictions.

CPOT Rodrigo MURILLO-Pardo Extradited to the United States. On September 21, CPOT Rodrigo MURILLO-Pardo was extradited from Colombia to the United States to face charges of trafficking in cocaine. MURILLO-Pardo is one of 25 traffickers and the second CPOT extradited from Colombia during September. MURILLO-Pardo was indicted in September 2002 in the U.S. District Court for the Southern District of California after a two-year investigation conducted by the DEA San Diego Division and the Bogotá Country Office. He was arrested in November 2002 by the Colombian National Police. At the time of MURILLO-Pardo's arrest, over \$4.9 million in U.S. currency was seized from his residence. According to investigative information, MURILLO-Pardo was responsible for the attempted importation of 20 tons of cocaine in 2001 that were seized in the Pacific Ocean by U.S. authorities. MURILLO-Pardo's cocaine and marijuana trafficking organization was dismantled in 2002.

Operation Choque OCDETF Investigation Resulted in Arrest of CPOT Associate in Mexico. On September 16, the DEA Ciudad Juarez and Colorado Springs Resident Office reported the arrest of Miguel ARRIOLA-Marquez and two individuals by the Mexican Agencia Federales de Investigaciones, Sensitive Investigative Unit, in Mexico. ARRIOLA-Marquez, a leader in a Saucillo,

Chihuahua, Mexico-based cocaine and money laundering organization, is an associate of CPOT Joaquin GUZMAN-Loera. Miguel and his brother Oscar ARRIOLA-Marquez were indicted in the U.S. District Court for the District of Colorado in December 2003 after a one-year OCDETF and DEA Special Operations Division supported investigation for trafficking in cocaine and money laundering. According to intelligence information, the ARRIOLA-Marquez organization was responsible for the importation of 18 tons of cocaine from Mexico into the United States and the transportation of approximately \$10 million to Mexico per year since 1999. As of October 1, 2004, this investigation has resulted in 97 arrests, the seizure of 1,407 kilograms of cocaine and \$10.6 million.

CPOT Jose Maria HENAO-Mejia Extradited to the United States. On September 10, CPOT Jose Maria HENAO-Mejia was extradited from Colombia to the United States to face charges of conspiracy and trafficking in cocaine. HENAO-Mejia was indicted in June 2002 in the U.S. District Court for the Southern District of New York after a one-year investigation conducted by the DEA New York, Miami, and Newark Divisions, the Bridgeport Resident Office, and the Bogotá Country Office. HENAO-Mejia was arrested in Colombia in September 2002 pursuant to a provisional arrest warrant. According to intelligence information, HENAO-Mejia was the leader of a Medellín, Colombia based drug trafficking organization responsible for the importation of 60 tons of cocaine into the United States per year since 1999, or a total of 360 tons during that time period. The HENAO-Mejia organization was one of eight different CPOTs dismantled in 2003.

Seizure of 11,200 MDMA Tablets and 300 Pounds of Marijuana at the United States-Canada Border. On September 10, the DEA Spokane Resident Office reported the seizure of 11,200 MDMA tablets and 300 pounds of high-potency marijuana by the U.S. Border Patrol at the United States border with Canada in eastern Washington State. Two U.S. citizens were arrested while attempting to enter the United States with the drugs. Subsequent investigation resulted in the arrest of a Vietnamese national in Seattle, Washington. Investigative information indicates the pair were acting as couriers for a Vancouver, British Columbia based organization and had made three trips to the United States within the past two months. The MDMA and marijuana were intended for distribution in the Seattle area. This investigation was conducted with Immigration and Customs Enforcement, the Internal Revenue Service, the Washington Highway Patrol, the Spokane County Sheriff's Office, the Spokane Police Department, and the Royal Canadian Mounted Police.

Consolidated Priority Organization Target (CPOT) Itzhak ABERGIL Arrested. On September 7, the DEA Brussels Country Office reported the arrest of CPOT Itzhak ABERGIL in Amsterdam, Holland. ABERGIL, the leader of an international drug trafficking organization based in Israel, was detained for further investigation by Dutch law enforcement authorities at the request of the Belgian Federal Police. ABERGIL's organization is being investigated by United States authorities for numerous criminal activities including trafficking in cocaine and MDMA, money laundering, kidnapping, murder, extortion, and illegal gambling. His organization operates in the United States, Europe, and other countries.

Cooperative Operation Resulted in Seizure of 33 Pounds of Heroin and Weapons in Afghanistan. On August 31, the DEA Kabul Country Office in conjunction with the newly formed Afghanistan Counter Narcotics Police, Narcotics Interdiction Unit (NIU), seized 33 pounds of heroin and a weapons cache at a remote rural residence in Kunduz Province, Afghanistan. The weapons included assault rifles, a machine gun, and a rocket propelled grenade launcher with multiple rounds. One Afghan national was arrested. The operation involved 16 hours travel one way by a convoy of police vehicles to reach the target site and was the first raid operation conducted by the NIU outside of the Kabul area.

Seizure of One Ton of Opium and Weapons in Afghanistan. On August 30, the DEA Kabul Country Office reported the seizure of one ton of opium, a cache of weapons, and a rocket launcher in an operation conducted jointly with the Afghanistan Counter Narcotics Police in Helmand Province,

Afghanistan. The opium and weapons were seized from two adjacent rural residences and included six AK-47 rifles, a rocket propelled grenade (RPG) launcher, and several RPG rounds. Two individuals were arrested during the operation.

Operation Cyber-Pharming, Pharmaceutical Controlled Substance Internet Trafficking Organization Dismantled in Thailand. On August 26, the DEA Bangkok Country Office and DEA Newark Division culminated an eight-month investigation with the dismantlement of a pharmaceutical controlled substance internet trafficking organization in Thailand. The Royal Thai Police arrested Achitphon KHONSEECHAI, the leader of the organization, and seven associates on charges that could result in a sentence of more than 20 years to life imprisonment. According to intelligence information, KHONSEECHAI operated a Bangkok-based internet website and pharmacy that shipped millions of dosage units of various pharmaceutical controlled substances, including Valium, Xanax, phenobarbital, and codeine combination drugs, to at least 36 states since 2003. Customers of the website were only required to complete an on-line questionnaire prior to receiving drugs. Seized during the operation were approximately 500,000 dosage units of various pharmaceutical controlled substances, a credit card processing machine, computers and hard drives. This investigation was conducted in coordination with the following Thai agencies: Customs Department, Bangkok Intelligence Center, Office of the Narcotics Control Board, Postal Inspectors, Food and Drug Administration, and Express Mail Service.

Arrest of Fuerzas Armadas Revolucionarias de Colombia (FARC) Associate in Panama. On August 6, Miguel OSORIO-Castaño, a FARC associate and drug transportation broker, was arrested in Panama as part of a two-year investigation conducted by the DEA Special Operations Division Bilateral Case Group. OSORIO-Castaño was indicted in April 2004 in the United States District Court, District of Columbia, for conspiracy and intent to import cocaine into the United States. According to intelligence information, OSORIO-Castaño is a member of the Jose RODRIGUEZ cocaine trafficking organization associated with FARC leader and CPOT Jose Benito CARBRERA-Cuevas. The RODRIGUEZ drug trafficking organization is responsible for the importation of approximately five tons of cocaine monthly to the United States from Colombia since 2003. OSORIO-Castaño was expelled from Panama and transported to the United States by DEA aircraft. This investigation was conducted with DEA County Offices in Bogotá, Panama City, Brasilia, Caracas, Asuncion, Curacao, and The Hague, the DEA Sao Paulo Resident Office, and the Panamanian National Police.

Operation Tornado, Seizure of Fuerzas Armadas Revolucionarias de Colombia (FARC) Cocaine Laboratory in Colombia. On August 5, in coordination with the DEA Bogota Country Office, the Colombian National Police Anti-Narcotics Jungla Group seized an active cocaine hydrochloride (HCL) laboratory operated by the FARC. The laboratory was located near the town of Pisanda in the Narino region of Colombia. Production capacity of the laboratory is estimated at 1.6 tons of cocaine per week. Total seizures included 1.6 tons of cocaine HCL, 1,300 pounds of solid processing chemicals, and 5,000 gallons of liquid chemicals

Operation Cold Remedy/Aztec Flu, Seizure of 11.5 Million Pseudoephedrine Tablets in Mexico. On July 31, based on information provided by the DEA Guadalajara Resident Office, the Agencia Federal de Investigaciones (Mexican Federal Police) seized 11.5 million tablets of pseudoephedrine at the port of Manzanillo. The tablets were sent by a Hong Kong pharmaceutical manufacturer for delivery to a fictitious company in Mexico. If converted, the pseudoephedrine would have yielded approximately 1,000 pounds of methamphetamine or 96 million dosage units. On July 8, the Agencia Federal de Investigaciones seized another of 4 million tablets of pseudoephedrine in Mexico City. These tablets were also sent by a Hong Kong pharmaceutical manufacturer for delivery to a fictitious company in Mexico. If converted, the pseudoephedrine would have yielded approximately 33.6 million dosage units of methamphetamine. The investigations were conducted in coordination with the Subprocuraduria de Investigaciones Especializada en Delincuencia Organizada (Mexican Prosecutor's

Office). As of December 31, 2004, Operation Aztec Flu/Operation Cold Remedy has resulted in the seizure of more than 67 million pseudoephedrine tablets.

Operation Bulldozer, Arrest of CPOT Transportation Officer. On July 29, the DEA Bogotá Country Office reported the arrest of Mauricio JARAMILLO-Correa, a transportation officer for the Colombia-based Victor and Miguel MEJIA-Munero CPOT drug trafficking organization. JARAMILLO-Correa was arrested by the Colombian National Police Sensitive Investigative Unit at a ranch near Medellín, Colombia. In August 2003, JARAMILLO-Correa was indicted in the U.S. District Court, Southern District of Texas, for conspiracy and importation of cocaine from Panama into the United States. As of October 1, 2004, this investigation has resulted in 42 arrests and the seizure of 2,226 kilograms of cocaine, 5 kilograms of heroin, and \$2.8 million in U.S. currency. This investigation was coordinated by the DEA Special Operations Division and conducted by the DEA Corpus Christi Resident Office, Panama and Mexico City Country Offices, Panama's Policia Tecnica Judicial, and the Mexican Agencia Federal de Investigaciones.

Operation Streamline, Arrest of Proposed CPOT Juan Carlos CRESPO-Ballesteros. On July 27, a two-year Organized Crime Drug Enforcement Task Force (OCDETF) investigation conducted by the DEA Bogotá Country Office resulted in the arrest of proposed Colombian heroin CPOT, Juan Carlos CRESPO-Ballesteros, and four bodyguards by the Colombian National Police. CRESPO-Ballesteros was indicted during June 2004 in U.S. District Court, Southern District of Florida, for conspiracy to import heroin into the United States. According to intelligence information, CRESPO-Ballesteros is linked to the Fuerzas Armadas Revolucionarias de Colombia (FARC) and was responsible for the importation of approximately 1,000 pounds of heroin per year from Colombia to the United States since 2002. The drugs have an estimated street value of more than \$100 million. Investigative efforts revealed that drug proceeds were returned to Colombia by body couriers and wire transfers. Ten individuals who regularly received drug proceeds from the organization are being prosecuted in Colombia. As of October 1, 2004, this investigation has resulted in 32 arrests and the seizure of over 130 pounds of heroin. The investigation was coordinated by the DEA Special Operations Division and conducted with the DEA New York, Newark, Philadelphia and Miami Divisions and the DEA Charlotte District Office.

Operation Rio Tulua, Seizure of Three Fuerzas Armadas Revolucionarias de Colombia (FARC) Cocaine Laboratories in Colombia. On July 18 and 26, in coordination with the DEA Bogotá Country Office, the Colombian National Police (CNP) Anti-Narcotics Jungla Group seized three active cocaine hydrochloride (HCL) laboratories operated by the FARC. The laboratories were located in the Tulua, Valle del Cauca area of Colombia. Total seizures from the laboratories included over 3 tons of cocaine HCL, 16.5 tons of solid processing chemicals, and 3,000 gallons of liquid chemicals. These seizures are part of a DEA and CNP cooperative effort initiated in July 2004 to target cocaine processing laboratories in the region

\$979,000 Seized from Bank Accounts of Consolidated Priority Organization Target (CPOT) Hernan PRADA-Cortez. From July 19 to July 26 as the result of a four-year Organized Crime Drug Enforcement Task Force (OCDETF) investigation, the DEA Orlando District Office seized a total of \$979,000 from bank accounts used to launder drug proceeds for the CPOT Hernan PRADA-Cortez cocaine trafficking organization. According to intelligence information, these U.S. bank accounts were utilized to wire money for PRADA-Cortez and other drug trafficking organizations from the United States to Colombian-based money brokers. Investigative information identified the laundering of over \$3.6 million in drug proceeds from August 2000 through April 2004. To date, this investigation has resulted in the December 2003 arrest of Regional Priority Organization Target Carlos OVALLE, the seizure of over \$3 million, and the identification of over 50 domestic and international bank accounts used to launder drug proceeds.

Operation Synergy, Heroin Trafficking Organization Dismantled. On July 8, a one-year multi-jurisdictional OCDETF investigation culminated with the dismantlement of a Colombian heroin trafficking organization. Based on an indictment obtained in U.S. District Court in the Southern District of Florida, Luis Alfonso ALAYON-Cortes, the leader of the organization, and 23 associates were arrested in the United States, Colombia, and the Dominican Republic. According to intelligence information, the ALAYON-Cortes organization imported more than 60 pounds of heroin into the United States per month since 2003. During the investigation, a clothing factory operated by the organization was discovered in Ecuador where kilogram quantities of heroin were sewn in clothing for smuggling by couriers. To date, the investigation has resulted in 58 arrests and the seizure of 225 pounds of heroin. This Priority Target investigation, entitled Operation Synergy, was coordinated by the DEA Special Operations Division and conducted by DEA offices in New York; Boston; New Haven; Cleveland; Orlando; Tampa; Miami; Bogotá, Colombia; Caracas, Venezuela; and Quito, Ecuador. The Federal Bureau of Investigation, Immigration and Customs Enforcement, and the Colombian National Police also participated in this investigation.

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\$2.1 Million Seized at Cali Airport. On June 21, the DEA Bogotá Country Office (BCO) reported a total of over \$2.1 million in seizures of U.S. currency at the Cali International Airport. The seizures were accomplished by the DEA trained and equipped Colombian National Police, Cali Airport Interdiction Unit (CAIU). Seizures were made on two separate dates in June from four couriers arriving in Colombia from Mexico. Initiated in April 2004 to detect passengers engaged in drug trafficking or currency smuggling, the CAIU is part of an overall Colombian airport interdiction program started by the BCO in 2003.

Operation Lemony, Seizure of 1,400 Pounds of Cocaine from Sailing Vessel. On June 20, 2004, as the result of an investigation conducted by the DEA Santo Domingo Country Office and the DEA Special Operations Division Bilateral Case Group, the Spanish National Police seized over 1,400 pounds of cocaine from a sailing vessel located off the coast of Spain. The captain and a crew member were arrested. Seven additional arrests were made at two locations in Spain. According to intelligence information, the vessel was utilized by a cocaine trafficking organization based in the Dominican Republic to transport cocaine from Colombia to the United States and Europe. The investigation, also conducted with Her Majesty's Customs and Excise, has resulted in a total of 30 arrests and the seizure of 3,488 kilograms of cocaine.

OCDETF Investigation Culminated with Dismantlement of a Marijuana Trafficking Organization. On June 17, a one-year OCDETF and Priority Target investigation conducted by the DEA Albany District Office culminated in the dismantlement of a high-potency marijuana trafficking organization operating in the United States and Canada. The leader of the organization, Lawrence MITCHELL, and 26 associates were arrested. One of the individuals arrested was a dispatcher with the New York State Police. According to intelligence information, since 2002, the MITCHELL organization imported over 800 pounds of marijuana per month from Canada to the United States. MITCHELL, a Native American, resided on the Canadian side of the Akwesasne-Mohawk Indian Reservation and utilized the remote nature of the area to insulate his trafficking activities. This investigation was coordinated by the DEA Special Operations Division and conducted with the Internal Revenue Service, Immigration and Customs Enforcement, the U.S. Border Patrol, the Royal Canadian Mounted Police, the St. Regis Mohawk Tribal Police, and the New York State Police.

OCDETF Investigation Culminated with Dismantlement of a Marijuana Trafficking Organization. On June 17, a one-year OCDETF and Priority Target investigation conducted by the DEA Albany District Office culminated in the dismantlement of a high-potency marijuana trafficking organization operating in the United States and Canada. The leader of the organization, Lawrence

MITCHELL, and 26 associates were arrested. One of the individuals arrested was a dispatcher with the New York State Police. According to intelligence information, since 2002, the MITCHELL organization imported over 800 pounds of marijuana per month from Canada to the United States. MITCHELL, a Native American, resided on the Canadian side of the Akwesasne-Mohawk Indian Reservation and utilized the remote nature of the area to insulate his trafficking activities. This investigation was coordinated by the DEA Special Operations Division and conducted with the Internal Revenue Service, Immigration and Customs Enforcement, the U.S. Border Patrol, the Royal Canadian Mounted Police, the St. Regis Mohawk Tribal Police, and the New York State Police.

International Crystal Methamphetamine Trafficking Organization Dismantled, Third “Super-Laboratory” Seized. On June 9, based on information provided by the DEA Kuala Lumpur Country Office, the Royal Malaysian Police Narcotics Department culminated an 18-month investigation with the dismantlement of a crystal methamphetamine trafficking organization in Malaysia. The leader of this organization, Kwok Hung LAM, and seven senior members were arrested. According to intelligence information, LAM is associated with Chinese organized crime and operated several crystal methamphetamine laboratories in Asia. Simultaneous with the arrest of LAM, a crystal methamphetamine “super laboratory” operated in Fiji by the LAM organization was seized as the result of a six-month DEA Canberra Country Office cooperative investigation with the Fijian National Police. Seven additional individuals were arrested at that time. The laboratory had a production capacity of 50 pounds of crystal methamphetamine per batch. This is the third crystal methamphetamine “super laboratory” seized on the Island of Fiji. These investigations were also conducted with the assistance of the Australian Federal Police and the New Zealand National Police.

Organized Crime Drug Enforcement Task Force (OCDETF) Investigation Culminated with the Dismantlement of an International Marijuana Trafficking and Money Laundering Organization. On June 7, the DEA Detroit Division culminated a one-year Priority Target OCDETF investigation with the dismantlement of an international marijuana trafficking and money laundering organization. The operation resulted in the arrest of 31 individuals in the United States and Canada, including leaders of the organization Oanh PHAN and Trong NGUYEN. According to intelligence information, since 2002, the organization operated several large-scale indoor marijuana cultivation sites in Canada. The resulting high potency marijuana was subsequently exported to distribution cells in the United States. During a six month period in 2003, the organization produced approximately 10 tons of marijuana per month. An estimated \$70 million in drug proceeds was laundered by the organization from the United States to Toronto, Canada. To date, the investigation has resulted in 41 arrests and the seizure of over \$2 million in U.S. currency. This investigation was supported by the DEA Special Operations Division and conducted with the Michigan State Police, Immigration and Customs Enforcement, the Internal Revenue Service, the Canadian Customs and Revenue Agency, and the Royal Canadian Mounted Police.

Two Pharmaceutical Companies, 350,000 MDMA Tablets, and 1.4 Tons of Methaqualone Seized in India. On June 5, the DEA New Delhi Country Office reported the seizure of two pharmaceutical manufacturing companies, 350,000 MDMA tablets, and 1.4 tons of methaqualone (Quaaludes) by the Indian Directorate of Revenue Intelligence. This is the largest seizure of MDMA ever in India. Mohan MANKANI, owner of a pharmaceutical company in Bidar, India, and Anil TYAGI, owner of a pharmaceutical company in Jeedimetla, India, were among the five individuals arrested. According to intelligence information, MANKANI is the leader of an India-based trafficking organization with ties to the United Arab Emirates. The MDMA and methaqualone were manufactured at MANKANI’s company and tableted at TYAGI’s firm.

Seizure of 6.2 Tons of Cocaine and Arrest of Six in Venezuela. On June 11, as the result of an investigation conducted by the DEA Caracas Country Office, the Cuerpo de Investigaciones Científicas Penales y Criminalísticas (Venezuelan Federal Police) seized 6.2 tons of cocaine from three ranches located in the city of Valle de la Pascua, Venezuela. Five Venezuelans and one

Colombian national were arrested during the operation. According to intelligence information, the ranches were utilized by a Colombian drug trafficking organization to store cocaine prior to shipment to Mexico and the United States. This investigation was conducted with the State of Guarico Police and the Direccion Investigaciones Servicios Inteligencia Policial (Venezuelan Intelligence Service).

Organized Crime Drug Enforcement Task Force (OCDETF) Investigation Dismantled Marijuana Trafficking and Money Laundering Organization. On June 3, a 17-month Priority Target investigation conducted by the DEA Seattle Field Division culminated in the dismantlement of a marijuana trafficking and money laundering organization in Seattle, Washington. Five individuals, including the leader of the organization Tri Duc PHAN, were arrested and charged with conspiracy to distribute marijuana, money laundering, and bulk cash money smuggling. According to intelligence information, since 2002, the PHAN organization was distributing approximately 800 pounds of high-potency marijuana per month from Canada to Washington State for distribution in the United States. An estimated \$1 million in drug proceeds per month were subsequently transported to Canada in bulk cash shipments. To date, the investigation has resulted in the seizure of \$360,000 in U.S. currency with an anticipated additional forfeiture of \$1.26 million. This investigation was conducted in coordination with Immigration and Customs Enforcement and the Royal Canadian Mounted Police.

Five Arrested in Mexican Pseudoephedrine Trafficking Investigation. On May 26, a 14-month investigation conducted by the DEA Hong Kong Country Office (HKCO) and the DEA Mexico City Country Office (MCCO), resulted in the arrest of five Mexican nationals by the Agencia Federal de Investigaciones (Mexican Federal Police). The individuals were arrested after taking possession of a shipment of pharmaceutical pseudoephedrine sent from Hong Kong to Mexico. According to intelligence information, from December 2001 through December 2003, 85 shipments of pseudoephedrine, totaling over 422 million dosage units, were sent by Hong Kong pharmaceutical companies to fictitious businesses in Mexico. If converted, the pseudoephedrine would yield approximately 19 tons of methamphetamine, or 3.5 billion dosage units. Since March 2003, this operation has resulted in 21 arrests and the seizure of approximately 40 million tablets of pseudoephedrine in the United States, Panama and Mexico. This investigation was conducted in coordination with the Subprocuraduria de Investigaciones Especializada en Delincuencia Organizada (Mexican Prosecutor's Office).

Seizure of 264 Pounds of Heroin in Afghanistan. On May 24, based on information obtained by the DEA Kabul Country Office and the U.S. Marine Corps Anti-Terrorist Intelligence Cell, the Afghanistan Ministry of the Interior Counter Narcotics Police and the Kabul City Gates Team seized 264 pounds of heroin in Kabul, Afghanistan. One Afghan national was taken into custody. According to intelligence information, the heroin had a wholesale value of \$500,000.

10.2 Tons of Marijuana Seized in Mexico. On May 21, based on information provided by the DEA Guadalajara Resident Office, the Mexican Ministerio Publico Federal Office (Federal Prosecutor's Office) seized 10.2 tons of marijuana from a commercial tanker-trailer truck as it was preparing to depart Guadalajara, Mexico. The driver of the truck was arrested. According to intelligence information, the marijuana, with a wholesale value of \$500,000, was destined for the United States.

Organized Crime Drug Enforcement Task Force (OCDETF) Investigation Results in \$20 Million Forfeiture and Dismantlement of an International Money Laundering Organization. On May 4, the DEA New York and Miami Divisions, in conjunction with the DEA Bogotá Country Office, culminated a two-year, multi-jurisdictional OCDETF investigation with the dismantlement of an international money laundering organization. The operation resulted in the arrests of 25 individuals in the United States, Colombia and Canada including leaders Gabriel and Nicholas OTALVARO-Ortiz. Four Colombian companies involved in the scheme were also indicted and their common owner has agreed to the forfeiture of \$20 million from a seized bank account. Warrants have been issued for an additional \$1 million from more than 20 other bank accounts. The OTALVARO-Ortiz money

laundering organization utilized the Colombian Black Market Peso Exchange to purchase drug proceeds from the United States and Canada at a reduced rate. This investigation was coordinated by the DEA Special Operations Division and the Office of Financial Operations and conducted with the assistance of the Internal Revenue Service; the New York Police Department; the Office of the Special Narcotics Prosecutor for the City of New York; the Manhattan District Attorney's Office; the South Florida Money Laundering Strike Force; the Royal Canadian Mounted Police; the British National Crime Squad; and the Colombian Departamento Administrativo De Seguridad.

Newly Constructed Cocaine Processing Laboratory Dismantled in Peru. On April 25, the DEA Lima Country Office and the Peru Sensitive Investigative Unit culminated a two-month investigation with the dismantlement of a new 1,200 square foot cocaine processing laboratory in a remote area of Peru. Four Peruvian nationals were arrested at the time. According to investigators on-site, the laboratory was fully equipped but had not yet been utilized. Based on the amount of raw material present, the laboratory had a production capacity of 2 metric tons of finished cocaine. Seized during the operation were 350 pounds of cocaine base; large quantities of processing chemicals, including approximately 4,000 gallons of hydrochloric acid and 220 pounds of potassium permanganate; a 20-ton hydraulic press; and rectangular aluminum molds to form cocaine "bricks." To date, this investigation has resulted in the seizure of over 1,200 pounds of cocaine base and the arrests of 15 individuals. The operation was conducted with the assistance of the Peruvian National Police.

Seizure of Two Fuerzas Armadas Revolucionarias de Colombia (FARC) Cocaine HCL Laboratories in Colombia. On April 25 and 28, in coordination with the DEA Bogotá Country Office, the Colombian Military Counter Drug Brigade seized two cocaine laboratories operated by the Revolutionary Armed Forces of Colombia (FARC). Located in the Narino region of Colombia, one of the labs had a production capacity of five metric tons of cocaine per month. The other, also in Narino, was capable of producing three metric tons of cocaine per month. These seizures were part of an ongoing cooperative effort that has resulted in the destruction of six cocaine HCL labs, over 200 cocaine base labs, approximately 160 pounds of cocaine HCL and 1000 pounds of cocaine base.

Colombian Heroin Trafficking Organization Dismantled. On April 23, the DEA Bogotá Country Office and DEA New York Division culminated a seven-month investigation of a Pereira, Colombia heroin trafficking organization with the arrest of 21 individuals. The organization has been effectively dismantled by this operation. Twenty of the arrests, including organization leaders and brothers Omar DIAZ-Betancur and Hernan DIAZ-Betancur, occurred in Colombia and one in New Jersey. According to intelligence information, the DIAZ-Betancur drug trafficking organization was responsible for the monthly importation of 10 to 20 pounds of heroin from Colombia to New York since 2003. This investigation was coordinated by the DEA Special Operations Division and conducted with the Colombian National Police. To date, the investigation has resulted in the seizure of over 600 pounds of heroin and the arrest of 31 persons.

Arrest of Consolidated Priority Organization Target (CPOT) Otto Roberto HERRERA-Garcia. On April 21, based on an indictment obtained by the DEA SOD Bilateral Case Group, the Mexican Agencia Federal de Investigaciones (AFI) assisted by the DEA Mexico City Country Office, arrested CPOT Otto Roberto HERRERA-Garcia at the Mexico City airport. HERRERA-Garcia is the leader of a Guatemalan-based drug transportation organization responsible for the importation of cocaine from Colombia to the United States through El Salvador, Guatemala and Mexico. Intelligence information indicates the organization transported between five and seven metric tons of cocaine monthly since 2001. HERRERA-Garcia was indicted in October 2003 in the District of Columbia for conspiracy and importation of cocaine. HERRERA-Garcia is being detained by Mexican authorities pending extradition to the United States. To date, this two-year investigation has resulted in four arrests in El Salvador, Guatemala and Panama and the seizure of over \$14 million dollars in U.S. currency.

Results of First United States/Mexico Sanction-Based Demand Reduction Initiative Announced.

On April 13, the DEA San Diego Division released the results of a 60-day methamphetamine initiative which for the first time, coordinated sanction-based demand reduction efforts in the United States and Mexico. The program, known as “Operation Speed Bump,” was designed to combine law enforcement with treatment, raise public awareness, and foster cooperation in the San Diego, California and Tijuana, Mexico areas. The operation resulted in a total of 834 trafficking arrests in both countries. Over 40 pounds of methamphetamine was seized and three clandestine methamphetamine laboratories in Mexico were located and dismantled. In addition, 75 methamphetamine abusers were referred for drug treatment, 17 demand reduction presentations were given to school and civic groups and 11 “drug-endangered” children were placed into the protective custody of California’s child welfare service. The bi-lateral effort included local, state and Federal law enforcement, in conjunction with health officials, in the United States and Mexico.

Shipment of 4.4 Tons of Methamphetamine Precursor to Mexico Blocked. On April 5, the DEA Office of Diversion Control, Chemical Control Section, blocked the shipment of 4.4 tons of bulk pseudoephedrine powder destined for Mexico. If used in a clandestine laboratory, the pseudoephedrine could make over 2.5 tons of methamphetamine. Originating in India and intended for a pharmaceutical company in Guadalajara, Mexico, the pseudoephedrine was to be brought into the United States for re-export. Based on an agreement between the Government of India and DEA, India will not export pseudoephedrine to the United States without authorization from DEA. According to intelligence information, approximately 80 percent of the Mexican company’s customers were either fictitious or ordered lesser amounts of pseudoephedrine than shipment records indicated. In light of the intelligence, DEA declined to authorize the shipment and India refused to export the pseudoephedrine. Information concerning this action was referred to the Mexican Attorney General’s Office. This investigation was conducted with the assistance of the DEA Mexico City Country Office and the Mexican Federal Commission for the Protection against Sanitary Risks.

Sicilian Organized Crime Drug Trafficking Organization Dismantled. On April 4, as a result of a three-year investigation conducted by the DEA Rome Country Office, the Spanish National Police arrested Sicilian Organized Crime members and Priority Targets Roberto and Alesandro PANNUNZI in Spain. The drug trafficking activities of the PANNUNZI organization have been documented for over 30 years. According to intelligence information, in 2001 and 2002 the organization arranged shipments of cocaine totaling over eight tons from Colombia to be distributed to Italian crime groups in Europe. The PANNUNZI organization operated in Colombia, Peru, Venezuela, Portugal, Spain, Greece, South Africa, Switzerland, and the Netherlands. The arrests completed the dismantlement of the organization. To date, this investigation has resulted in a total of 42 arrests in three countries.

Seizure of 4.4 Tons of Morphine Base in Turkey. On March 29, the Turkish National Police (TNP) in coordination with the DEA Istanbul Resident Office (IRO) arrested five Turkish nationals and seized approximately 4.4 tons of morphine base from a truck located in an industrial complex in Istanbul, Turkey. Information obtained from the TNP has indicated this seizure is associated with the Atilla OZYILDIRIM Priority Target Organization. OZYILDIRIM was arrested in March 2002, at which time 7.5 tons of morphine base was seized. Investigative efforts revealed OZYILDIRIM and his criminal associates comprised a major international narcotics trafficking organization that was involved in not only the production of heroin but its distribution as well. To date, the investigation has resulted in 33 arrests, the seizure of approximately 12 tons of morphine base, 1,942 pounds of heroin, 660 gallons of acetic anhydride, a chemical precursor necessary for the production of heroin, and two operational heroin conversion laboratories.

Consolidated Priority Organization Target (CPOT) Linked Money Laundering Cell Dismantled.

On March 25, an 18-month multi-jurisdictional OCDETF investigation conducted by the DEA Los Angeles Division with the assistance of the DEA Miami Division and supported by the DEA Special Operations Division dismantled an international money laundering organization linked to CPOT

Itzhak ABERGIL. ABERGIL is the head of an Israeli criminal organization operating in Israel, Europe, the United States and other countries. Arrested on charges of extortion and money laundering were six individuals in Los Angeles, California; Miami, Florida; and Toronto, Canada to include Priority Targets Hai WAKNINE and Gabriel BEN-HAROSH. WAKNINE and BEN-HAROSH were responsible for the financing and facilitating of MDMA trafficking from Belgium and Holland into the United States. To date, the investigation has resulted in 46 arrests, the seizure of 2.8 million tablets of MDMA and over \$2 million dollars.

Extradition of Consolidated Priority Organization Target (CPOT) Juakin Mario VALENCIA-Trujillo. On March 18, CPOT Juakin Mario VALENCIA-Trujillo was extradited to the United States from Colombia to face cocaine and money laundering charges in the Middle District of Florida. VALENCIA-Trujillo was the head of a Colombian cocaine trafficking and money laundering organization that, according to intelligence estimates, was responsible for smuggling more than 100 metric tons of cocaine per year into the United States from 1991 through 1999. The organization transported the cocaine from Colombia through Mexico for distribution in Tampa and Miami, Florida; Houston, Texas; Los Angeles, California and New York City. The January 2003 arrest of VALENCIA-Trujillo preceded the seizure by the Colombian Government of an estimated \$25 million of his assets. The arrest and seizure resulted from Operation Panama Express, an ongoing nine-year Organized Crime and Drug Enforcement Task Force (OCDETF) investigation being conducted by the Tampa District Office, in conjunction with the Federal Bureau of Investigation, the Bureau of Immigration and Customs Enforcement and the United States Coast Guard. Thus far, Operation Panama Express has resulted in a combined total of more than 500 arrests and the seizure of 260 metric tons of cocaine from February 2000 to date.

Two Organized Crime and Drug Enforcement Task Force (OCDETF) Investigations Resulted in Arrests of 20 Airline Employees for Cocaine Smuggling. On March 11, the DEA Caribbean Division culminated two multi-jurisdictional OCDETF reverse undercover investigations with the arrests of 20 current and former airline ramp workers employed at the Luis Munoz Marin International Airport (LMMIA) in Puerto Rico. An additional employee later surrendered to authorities. Initiated in 2002, these Priority Target Organization investigations targeted the cocaine trafficking activities of two groups of airline ramp employees that facilitated the transportation of cocaine originating in Central and South America past security checkpoints at LMMIA for distribution to airports located in Pennsylvania, Texas, Florida, New Jersey and New York. These individuals have been charged with conspiracy and trafficking of a combined total of 528 pounds of cocaine. An additional 390 pounds of cocaine were seized during the course of both investigations. These investigations were conducted with the assistance of the Puerto Rico Police Department and the Puerto Rico Port Authority.

Colombian Money Laundering Organization Dismantled. On March 5, the Colombian National Police, Judicial Police Section, the DEA Bogotá Country Office and the DEA New York Division culminated an eighteen-month investigation that dismantled the Andres TRUJILLO-Botero Priority Target money laundering organization. The investigation revealed that since 2002, TRUJILLO-Botero and his associates were responsible for the transfer of approximately \$300,000 per week in heroin distribution proceeds from New York City to Medellin, Colombia. In order to evade law enforcement detection, the organization wired money to over 100 different recipients in Colombia. The organization paid the recipients to transfer the money to Luis Fernando ZAPATA-Ospina, head of the heroin trafficking organization. A total of 16 arrests were made in Colombia and New York, including TRUJILLO-Botero and ZAPATA-Ospina. According to intelligence information, the ZAPATA-Ospina heroin trafficking organization was responsible for the monthly distribution of approximately 33 to 44 pounds of heroin from Colombia to the United States since 2002.

Colombian Terrorist Associated Cocaine Trafficking Organization Dismantled. On March 5, a one-year, multi-national effort culminated in the complete dismantlement of a significant international cocaine trafficking organization headquartered in Colombia. The investigation resulted in the arrest of

Nayibe ROJAS-Valderama, the organization's U.S. distribution cell head and 21 associates in Colombia and Panama. The Jose Benito CABRERA trafficking group, an arm of the Fuerzas Armadas Revolucionarias de Colombia (FARC), was responsible for the monthly distribution of approximately 15 to 20 metric tons of cocaine from Colombia through Panama to the United States since 2002. Colombian President Alvaro Uribe commented that the operation could be the most significant blow inflicted on the FARC in recent times. Outstanding investigative efforts by the DEA Bogotá and Panama City Country Offices, DEA Special Operations Division (SOD) and the Colombian and Panamanian Attorney Generals' Office resulted in the December 2003 combined indictment of the entire Jose Benito CABRERA trafficking organization.

Organized Crime and Drug Enforcement Task Force (OCDETF) Investigation Culminated in 12 Arrests and the Dismantlement of a Cocaine Trafficking Organization. On March 4, a multi-jurisdictional OCDETF investigation of a Priority Target Organization trafficking in cocaine was culminated by the DEA Caribbean Division with the arrests of 12 individuals, including Aureliano GIRAUD-Pineiro. Arrests occurred in Puerto Rico, Maryland and Florida. The investigation revealed that the cocaine trafficking organization of Antonio ROBLES-Ramos was responsible for the distribution of approximately 11 tons of cocaine to the United States since 1996. The cocaine was transported from Colombia to the Virgin Islands or the Dominican Republic to Puerto Rico by "go fast" boats and then shipped to the United States for distribution. ROBLES-Ramos was arrested by the Caribbean Division in 1999. Follow-up investigation revealed that GIRAUD-Pineiro utilized fictitious and legitimate businesses to launder drug proceeds on behalf of the ROBLES-Ramos organization. Other agencies participating in this investigation included the Internal Revenue Service; Bureau of Immigration and Customs Enforcement; the Puerto Rico Police Department and Treasury Department; and the State Bureau of Investigation. To date, this investigation has resulted in 69 arrests, the seizure of over 1,700 pounds of cocaine and approximately \$2 million dollars in assets.

Arrest of Consolidated Priority Organization Target (CPOT) Jose Arismendy ALMONTE-Pena. On February 28, the Dominican Republic National Directorate for Drug Control, Sensitive Investigative Unit, with the assistance of the DEA Santo Domingo Country Office, arrested CPOT Jose Arismendy ALMONTE-Pena. ALMONTE-Pena is the head of a cocaine trafficking organization that since 2000 was responsible for transporting approximately 4,400 pounds of cocaine per month from Colombia and Venezuela through Puerto Rico and the Caribbean for distribution in Miami, Florida, Washington, D.C. and New York City. Shipments of cocaine were primarily transported by "go-fast" boats, capable of reaching "drop" or transfer points without refueling. The arrest stems from a 13-month joint DEA and Federal Bureau of Investigation OCDETF investigation.

Violent Heroin and Cocaine Trafficking Organization Dismantled. On February 21, based on information provided by the DEA New York Division Task Force, the Dutch National Police, with the assistance of the DEA Curacao Country Office, arrested Regional Priority Organization Target Luis Alberto IBARRA at the Curacao, Netherlands Antilles International Airport. With the previous arrest of 17 associates, the arrest of IBARRA, a Venezuelan national, has effectively dismantled a violent heroin and cocaine trafficking organization. The IBARRA organization purchased heroin in Cucuta, Colombia, transported it to Caracas, Venezuela, then couriers would smuggle the heroin into the United States. The heroin was then distributed in Miami, Florida, Houston, Texas and Newark, New Jersey. According to intelligence information, since assuming the leadership of the organization in 2003, IBARRA has been responsible for the distribution of approximately 220 pounds of heroin to the U.S. per month. Intelligence information shows the organization transported several hundred pounds of cocaine from Venezuela to Amsterdam each month. It has been reported that this organization relied on corruption, torture, murder and intimidation to further its objectives.

Discovery of Underground Tunnel Leads to Indictments of Consolidated Priority Organization Target (CPOT) Linked Trafficker and Former Mexican Law Enforcement Official. On February 18, CPOT linked Rigoberto GAXIOLA-Medina and former Regional Director of the Mexican

Agencia Federal de Investigaciones (AFI) Juan Luis GUZMAN-Enriquez, as well as eight additional individuals were indicted in the United States and charged with conspiracy to distribute marijuana. The indictments are connected with the September 2003 discovery of a sophisticated underground tunnel linking Nogales, Arizona to Nogales, Sonora, Mexico. The tunnel was constructed and utilized by GAXIOLA-Medina to smuggle marijuana from Mexico to the United States. Two marijuana seizures made in 2003, totaling 1,237 pounds, have been linked to the tunnel. GAXIOLA-Medina and GUZMAN-Enriquez are currently in Mexican custody, pending extradition to the United States. GAXIOLA-Medina has been associated with fugitive CPOT Joaquin GUZMAN-Loera, a major trafficker of cocaine from Colombia through Mexico to the United States. The success of this bi-lateral investigation can be attributed to the outstanding cooperation between the DEA Nogales and Hermosillo Resident Offices and the Mexican AFI Sensitive Investigations Unit.

Autodefensas Unidas de Colombia (AUC)-Linked Terrorist Extradited to the United States. On February 13, Edgar Fernando BLANCO-Puerta was extradited from San Jose, Costa Rica to the United States, as a result of a three-year joint DEA Houston Division and Federal Bureau of Investigation Houston Field Office OCDETF investigation. BLANCO-Puerta and four associates were actively seeking to purchase Soviet manufactured arms in exchange for a combination of cocaine and cash totaling \$25 million dollars. On February 4, the Colombian National Police arrested BLANCO-Puerta's associate, Fany Cecilia BARRERA, in Medellin, Colombia. During undercover discussions, BARRERA described herself as an agent of the AUC's "purchasing department," as she negotiated the acquisition of military weapons. Subsequent to the extradition of BLANCO-Puerta and the anticipated extradition of BARRERA, all five members of this organization will face charges in the Southern District of Texas for conspiracy to distribute controlled substances and conspiracy to provide material support to a terrorist organization.

Extradition of Two Consolidated Priority Organization Targets (CPOT) from Thailand. On February 9, CPOTs Zalmai IBRAHIMI and Khalid Mohammad AZIZI, as well as three associates, were extradited to the United States from Bangkok, Thailand and were charged with conspiracy to distribute heroin. This Organized Crime Drug Enforcement Task Force (OCDETF) investigation determined that the IBRAHIMI and AZIZI international heroin distribution and money laundering organization, which was based in Peshawar, Pakistan, was responsible for the distribution of 2.25 metric tons of heroin into the United States and Canada on a yearly basis since 2000. The DEA Mid-Atlantic Laboratory determined the purity of heroin distributed by this organization was as high as 95 percent. To date, this investigation has resulted in the arrest of 13 individuals and the seizure of \$3 million in Bangkok, Thailand and \$1 million in the United States. This OCDETF investigation was a cooperative effort between the DEA Washington Division and the Federal Bureau of Investigation's Calverton, Maryland Office.

Bulgarian Amphetamine Trafficking Organization Disrupted. On February 4, the Bulgarian National Service for Combating Organized Crime, with the support of the DEA Athens, Greece Country Office, disrupted an amphetamine trafficking organization in Sofia, Bulgaria. The eight-month investigation resulted in the seizure of approximately 500 pounds of amphetamine tablets and the arrest of three Bulgarian nationals. Also seized were two tableting machines and binder material for making tablets.

Multi-National Investigation Dismantles Major International Cocaine Network. On January 28, a three-year multi-national investigation culminated in the dismantlement of a major international cocaine network based in Italy. The investigation, which targeted a maritime cocaine trafficking organization headed by Santo SCIPIONE, resulted in the arrest of 78 individuals in Italy, 15 in Colombia and one in Spain as well as the seizure of 5,838 pounds of cocaine. Evidence indicated SCIPIONE would provide direction to members of the organization in Colombia, Italy, Spain and Venezuela regarding shipments of cocaine sent from South America to Europe. SCIPIONE has been identified as a member of the N'Drangheta, an Italian organized crime syndicate based in Calabria,

Italy. Italian authorities have stated that the dismantlement of the SCIPIONE organization will significantly impact the ability of the N'Drangheta to organize cocaine shipments and to operate on an international scale. The success of this multi-national investigation can be attributed to the outstanding cooperation between the DEA Cartagena Resident Office, the DEA Rome Country Office, the Special Operations Division, Italian counterparts with the Central Anti-Drug Directorate and the Carabimeri Special Investigative Division, as well as law enforcement counterparts from Colombia, Spain, Australia, Holland and Venezuela.

Disruption of Transportation Organization Linked to Consolidated Priority Organization Target (CPOT). On January 27, the Nassau Country Office, in conjunction with the Bahamian Police Force, Miami Field Division and the Miami Office of the Bureau of Customs and Immigration Enforcement, culminated an investigation that resulted in the arrest of two members of a CPOT-linked transportation organization. The enforcement action was supported by Operation Bahamas, Turks and Caicos Island (OpBAT). The organization, which has been linked to CPOT Elias COBOS-Munoz, is responsible for transporting shipments of cocaine and marijuana from Jamaica through the Bahamas, with an ultimate destination of the United States. It is estimated that CPOT COBOS-Munoz is coordinating combined monthly shipments of approximately 2,200 and 2,640 pounds of cocaine and marijuana to locations within Jamaica, Canada or the United States. The two individuals were arrested in possession of 836 pounds of cocaine and 506 pounds of marijuana, as they attempted to enter the U.S. through Port Everglades in Fort Lauderdale, Florida.

Arrest of a Top Lieutenant in the Ismael ZAMBADA-Garcia CPOT Organization. On January 27, Javier TORRES-Felix was arrested by the Mexican military at a roadblock near Cuilican, Sinaloa, Mexico, based on evidence developed by the DEA Mexico Country Office and the Special Operations Division. TORRES-Felix is a top lieutenant in the Ismael ZAMBADA-Garcia CPOT organization, a major Mexican drug transportation and distribution organization operating in the United States. According to intelligence information, the organization transports 2,200 to 11,000 pounds of cocaine on a monthly basis from Colombia to the United States via Central America and Mexico using a fleet of fishing vessels and various types of airplanes. On January 8, 2003, TORRES-Felix, CPOT ZAMBADA-Garcia and others were named in a multi-count indictment returned by a grand jury in Washington, D.C. The Government of Mexico has agreed to honor the provisional arrest warrants requested by the Department of Justice. The arrest of TORRES-Felix has caused significant disruptions to the ZAMBADA-Garcia organization as TORRES-Felix was responsible for managing important drug transportation routes to Chicago, Los Angeles, New York and New Jersey.

Seizure of One Metric Ton of Heroin and arrest of seven Turkish Nationals in Istanbul, Turkey. On January 26, the Turkish National Police (TNP) Narcotics Division assisted by DEA culminated a two-month investigation of the Abdulmenaf DINC organization with the seizure of one metric ton of heroin and the arrest of seven individuals, including DINC. The heroin was concealed in an underground storage facility of a sugar factory in Istanbul, Turkey. This seizure has been described by the TNP as the largest heroin seizure ever in Turkey. The DEA Istanbul Resident Office and the DEA Ankara Country Office are assisting the TNP to develop and pursue international investigative leads in an attempt to identify the organization responsible for the importation of the heroin.

Discovery of 12 Bodies Leads to Arrest of 13 Mexican Police Officials. During the period of January 24-30, Mexican Agencia Federal de Investigaciones authorities (Mexican equivalent to the FBI) with assistance provided by the DEA Ciudad Juarez Resident Office and the Bureau of Immigration and Customs Enforcement discovered the bodies of 12 victims of a violent Mexican drug trafficking organization buried behind a house in Ciudad Juarez, Mexico. The ensuing investigation resulted in the arrest of 13 Mexican police officers for their participation in the murders. Evidence revealed the house is owned by Heriberto SANTILLAN-Tabares, a lieutenant in the CPOT Vicente CARRILLO-Fuentes cocaine and marijuana trafficking organization. On January 15, SANTILLAN-Tabares was arrested by the Bureau of Immigration and Customs Enforcement after his December

2003 indictment for conspiracy to import and distribute cocaine into the United States. The CARRILLO-Fuentes organization is believed to be responsible for transporting approximately 8,000 pounds of cocaine and 48,000 pounds of marijuana per year from Mexico to the United States. CPOT CARRILLO-Fuentes remains a fugitive on both U.S. and Mexican drug trafficking and money laundering charges.

Colombian Cocaine Initiative results in the disruption of the Pablo Andes ROMERO-Gomez Organization. On January 22, the Colombian National Police Special Investigative Unit, in coordination with the DEA Bogotá, Colombia Country Office, arrested 10 members of the Pablo Andes ROMERO-Gomez Organization operating in Medellín, Bogotá, Pereira, Puerto Nare, and Antioquia, Colombia. Intelligence developed during this 12-month operation indicated that the ROMERO-Gomez organization was responsible for the annual distribution of 24,000 pounds of cocaine to the United States since 2000. The arrested individuals have been charged with drug trafficking and money laundering.

Arrest of DEA Priority and OCDETF Target Arcangel HENAO-Montoya in Panama. On January 10, the Panamanian Judicial Police (PTJ) assisted by the DEA Panama City Country Office (PCCO) and Bogotá Country Office (BCO) along with the Special Operation Division's (SOD) Bilateral Case Group arrested Arcangel HENAO-Montoya, a DEA Priority and OCDETF target, at a farm outside Torti, Panama. A Colombian National and significant leader in the North Valley Cartel, HENAO-Montoya is on the Treasury Department's list of Specially Designated Narcotics Traffickers. The PTJ also arrested Lorena HENAO, sister to HENAO-Montoya who handles financial matters for the HENAO-Montoya family, and Lucio QUIENTERO-Marin, his bodyguard. All three were detained and await further action by Panamanian authorities. It is anticipated that HENAO-Montoya will be expelled from Panama and transported by a DEA aircraft to the United States.

Institution Building/Foreign Liaison

France

U.S. and GOF counternarcotics law enforcement cooperation remains excellent, with an established practice of information sharing. Since October 2001, the DEA's Paris Country Office (CO) and OCRTIS have been working together on an operation that has resulted in the seizure and/or dismantling of 17 operational, or soon-to-be-operational clandestine MDMA (Ecstasy) laboratories, and the arrests of more than 30 individuals worldwide. International Controlled Deliveries have resulted in nine lab seizures in the United States, two each in France, Germany, and Australia, and one each in New Zealand and Spain.

Vietnam

The Government of Vietnam (GVN) continued to make progress in its counternarcotics efforts during 2004. Specific actions included: sustained efforts of counternarcotics law enforcement authorities to pursue drug traffickers; increased attention to interagency coordination; continued cooperation with the United Nations Office on Drugs and Crime (UNODC); increased attention to both drug treatment and harm reduction; an increased tempo of public awareness activities; and additional bilateral cooperation on HIV/AIDS. Additionally, in March, the U.S.-Vietnam counternarcotics Letter of Agreement (LOA), which was negotiated to permit the United States to provide counternarcotics assistance to Vietnam, entered into force, and the two sides completed the first of the LOA projects. However, real operational cooperation between Vietnamese law enforcement and DEA's Hanoi Country Office (HCO) was minimal. Vietnam is a party to the 1988 UN Drug Convention, the 1961

UN Single Convention as amended by the 1972 Protocol and the 1971 UN Convention on Psychotropic Substances.

All international law enforcement representatives in Vietnam acknowledged that real operational cooperation on counternarcotics cases is minimal or nonexistent due to legal prohibitions against foreign security personnel operating on Vietnamese soil. Without changes in Vietnamese law to permit foreign law enforcement officers to work on drug cases in Vietnam, “cooperation” will remain a function of information exchange and Vietnamese police carrying out law enforcement activities on behalf of foreign agencies on a case-by-case basis. During 2004, GVN law enforcement authorities did not provide meaningful cooperation to DEA’s Hanoi country office. DEA agents have not been permitted to work with GVN counternarcotics investigators officially. Cooperation was limited to receiving information from DEA and holding occasional meetings. Thus far, the counternarcotics police have declined to share information with DEA or cooperate operationally. GVN officials explain that drug information is subject to national security regulations and not releasable to foreigners. To date, there has been nothing concrete to indicate that the GVN has any intention of taking the necessary administrative or legislative steps to permit DEA to expand beyond its current liaison role.

During 2004, the USG made contributions to two projects: “Measures to Prevent and Combat Trafficking in Persons in Vietnam,” and “Interdiction and Seizure Capacity Building with Special Emphasis on ATS and Precursors.” The ATS project achieved its main goals in 2004 with the signing of an interagency MOU and the establishment of six interagency task forces at key border “hotspots” around the country.

Syria

In meetings with Syrian officials, DEA officials continue to stress the need for diligence in preventing narcotics and precursor chemicals from transiting Syrian territory; the need to work with the Lebanese government on crop eradication programs and on dismantling drug laboratories in Syrian-controlled areas of Lebanon; and the necessity of terminating any involvement, active or passive, of individual Syrian officials in the drug trade.

DEA officials based in Nicosia maintain an ongoing dialogue with Syrian authorities in the Counternarcotics Directorate. In February, DEA officials based in Nicosia and Syrian Anti-Narcotics Department coordinated efforts, which led to the seizure of 18.8 kilograms of cocaine at Damascus Airport. Syrian Ministry of Interior officials characterize cooperation with the Nicosia DEA office as excellent.

South Africa

U.S. law enforcement officers from the DEA, FBI, DHS (Customs/Immigration), the Secret Service and the State Department successfully cooperate with their South African counterparts. The U.S. also urges the SAG to strengthen its legislation and its law enforcement system and thus become able to prosecute more sophisticated organized criminal activities, including drug trafficking. The Scorpions, with U.S. training, have targeted organized crime and high-profile crime of all sorts. Some training has also been provided to the national police, the metropolitan police forces of Johannesburg and Tshwane, the Special Investigating Unit, the Department of Home Affairs, the Customs and Revenue Service, and others.

Lithuania

USG and GOL law enforcement cooperation is very good. In 2004, the U.S. continued to support GOL efforts to strengthen its law enforcement bodies and improve border security. To strengthen regional cooperation in the fight against HIV/AIDS in the Baltic States and Russia, the U.S. funded “The

Network of Excellence” project. In June 2004, a U.S. court in Florida acquitted 11 Lithuanian sailors apprehended in June 2003 of drug trafficking charges following the seizure of 3.5 tons of cocaine aboard the merchant vessel Yalta. In December 2003, Lithuania extradited an American citizen wanted for narcotics trafficking. In 2003, the Lithuanian State Security Department discovered a package suspected of containing counterfeit U.S. currency that was being sent to Minneapolis, Minnesota. The package also contained 100 tablets of Ecstasy. A joint investigation by the State Security Department and U.S. Secret Service resulted in arrests in both countries, including that of a major organized crime figure in the city of Kaunas. His trial is ongoing.

Kazakhstan

In 2004 the U.S. Government assisted Kazakhstan’s counternarcotics effort in several ways:

- In August 2004, the State department sponsored two UK Customs agents who provided training on drug profiling as well as pedestrian, rail and vehicular searches to selected MIA and Border Guard units as well as to the academies of both the Ministry and the Border Guards.
- State continued to assist the National Forensics Laboratory in Almaty. One gas chromatograph as well as numerous drug test kits and “Drug ID Bibles” were delivered to the Laboratory in March 2004.
- State also continued to sponsor the Committee on Combating Drugs. As part of a larger project aimed at combating narcotics trafficking in Kazakhstan Approximately one-third of the funds provided by the U.S. were used to acquire equipment needed to search vehicles for contraband, especially illegal narcotics. The remainder of the money is being used to provide specialized training to the unit in a variety of areas including drug identification, the search of vehicles using the equipment provided under the project, and Kazakh legal statutes pertaining to illegal narcotics and the arrest and detention of criminal suspects. The legal training also includes the principles of asset forfeiture (principles of legal seizure, custody, cooperation with prosecutors and judges, and transfer to GOK authorities responsible for the sale of forfeited assets.)
- Training and equipment was provided to the Statistics Committee of the Prosecutor’s Office, which targets drug trafficking organizations operating in Kazakhstan. The project also covered the costs of modernizing the Statistics Division of the Prosecutor’s Office. The first field offices to be modernized under the project were those contiguous to the Kazakh-Kyrgyz border between Kordai and Taraz, the field office in the town of Sarishagan near Lake Balkash, and the field offices contiguous to the Kazakh-Russian border in the towns of Aul and Zheshkent. In total, \$117,000 worth of technical equipment was given to the Prosecutor’s Office of the GOK under this project, including computers, printers, monitors, and copy machines. In November 2004, computer equipment was distributed throughout Kazakhstan to 17 different branches within the Criminal Statistics Unit and the State Department sponsored 25 training courses in 2004, during which a total of 687 GOK officials were trained.

Jordan

In March 2004, DEA Nicosia and DEA’s International Training Section sponsored a regional International Drug Enforcement Seminar in Amman. The DEA also plans to sponsor a one-week Asset Forfeiture and Financial Investigations Seminar in Amman during the month of July 2005. DEA

Country Attaché in Cyprus and Embassy Amman officials maintain a close working relationship with Jordanian authorities on narcotics related matters.

Hungary

The USG focuses its support for GOH counternarcotics efforts on training and cooperation through the ILEA and a small bilateral program developed especially for Hungary by the U.S. Embassy in Budapest. DEA maintains a regional office in Vienna that is accredited to Hungary and works with local and national authorities. The UCSD (University of California, San Diego, US, performed training for 200 drug treatment professionals in Budapest at the end of 2003 in the Ministry of Health, in order to acquainted them with the American experiences in the field of diagnosis and treatment of drug addict offenders in the criminal justice system.

Germany

German law enforcement agencies work closely and effectively with their U.S. counterparts in narcotics-related cases. Close cooperation to curb money laundering continues between DEA, the Federal Bureau of Investigation (FBI), the Internal Revenue Service (IRS), the U.S. Customs Service, and their German counterparts, including the BKA, the AKA, and the state criminal police (LKAs). German agencies routinely work very closely with their U.S. counterparts in joint investigations using the full range of investigative techniques, such as undercover operations. German-U.S. cooperation to stop diversion of chemical precursors for cocaine production also continues to be close (e.g., Operations “Purple” and “Topaz”). A DEA liaison officer is assigned to the BKA headquarters in Wiesbaden to facilitate cooperation and joint investigations. Two DEA offices, the Berlin Country Office and the Frankfurt Resident Office, facilitate information exchanges and operational support between German and U.S. drug enforcement agencies. BKA and DEA also participate in a tablet exchange program to compare samples of Ecstasy pills.

Croatia

Police reform efforts begun in 2001 to provide technical assistance to the Interior Ministry have begun to show fruit. The first class of police recruits graduated from a completely revamped basic police school in July 2004. This class will be the first to proceed from graduation to probationary assignments with specially trained, senior police officers as coaches and mentors. A new police policies and procedures field manual was issued to all police officers in fall 2004. In addition, Croatian police have been regular participants in training programs at the U.S.-funded International Law Enforcement Academy in Budapest as well as follow-on training in Roswell, New Mexico. Under the Export Control and Border Security (EXBS) program, police and customs officers have been trained on risk analysis methodologies and new equipment has been donated to help improve at-the-border detection of smuggled contraband.

Azerbaijan

In 2004 the Export Control and Related Border Security (EXBS) program continued to provide assistance to the Azerbaijan State Border Guards and Customs services. EXBS training and assistance efforts, while aimed at nonproliferation of weapons of mass destruction, directly enhance Azerbaijan’s ability to interdict all contraband, including narcotics. During 2004, EXBS sponsored numerous courses for the Border Guard Maritime Brigade. These courses included “Advanced International Border Interdiction Training” which introduced the participants to real-time, hands-on inspections and Border Patrol tactics in the field. EXBS also hosted the “US-Azerbaijan Legal Technical Forum III” which provided assistance to the GOAJ in strengthening its legal framework for an export control

system in Azerbaijan that is consistent with international standards. In addition, in 2004, EXBS Conducted a Counter-Narcotics Instructor Course and reorganized the Border Guards conscript and officer training programs.

U.S. and European experts participated in a three-day workshop on “Implementing the norms of international law on extradition and mutual legal assistance related to drug offences into national law and practice.” During this workshop, U.S. and European legal experts provided training to and shared advice and practical experience with relevant Azeri legal professionals (police, prosecutors, judges and parliament) on the implementation of Azerbaijan’s international legal obligations related to drug offences.

Key Azerbaijani law enforcement officials participated in a U.S.-based study tour which provided them with a first hand look at how the U.S. criminal justice system operates in practice, with a particular focus on issues related to reforms currently underway in Azerbaijan. The participants were introduced to various investigative and forensic techniques and the concept of vetted units of police and prosecutors working as a team.

Australia

U.S. counternarcotics activities in Australia feature strong ongoing U.S.-Australian collaboration in investigating, disrupting, and dismantling international illicit drug trafficking organizations. In mid-2002, the U.S. and Australia signed a Memorandum of Understanding to outline these objectives. Cooperation between U.S. and Australian authorities is excellent.

Angola

In 2004, 17 Angolan police officers participated in State Department-sponsored regional training course, which included segments on counternarcotics.

Saudi Arabia

Saudi officials actively seek and participate in U.S.-Sponsored training programs and are receptive to enhanced official contacts with DEA. The U.S. will continue to arrange regular visits of DEA officers to Saudi Arabia. It will also explore opportunities for additional bilateral training and cooperation.

Sri Lanka

In 2004, the USG began implementing, primarily with the PNB, a law enforcement development program. Over 200 officers throughout the police force participated in training seminars. Pursuant to bilateral letters of agreement between the USG and the GSL, the Sri Lanka police are fulfilling their obligations. USG-trained Sri Lanka police are replicating the seminars and scheduling training for colleagues of the original police trainees at the training academies and stations throughout the island. Regional U.S. government officials, primarily DEA, conducted narcotics officer training for their local counterparts in seminar, organized by the Colombo Plan.

Mexico

Bilateral counternarcotics cooperation was close and represented one of the most positive aspects of the bilateral relationship. U.S. law enforcement confidently shared sensitive information with Mexican counterparts, resulting in the capture and conviction of drug traffickers, as well as seizures of illicit narcotics.

The Binational Commission (BNC) continued to serve as the main venue where cabinet level officials of both countries meet to discuss an array of bilateral issues, including counternarcotics and related law enforcement topics. The BNC also guided bilateral discussions carried out through its Law Enforcement Working Group. Under the umbrella of the BNC, the Senior Law Enforcement Plenary (SLEP) met twice during the year to evaluate and guide bilateral actions at the operational level. The SLEP comprised several working groups, including those dealing with major drug trafficking organizations, money laundering, demand reduction, arms trafficking, extradition, interdiction, training, and precursor chemicals.

The U.S. Interdiction Coordinator (USIC) led the U.S. delegation at several meetings of the Bilateral Interdiction Working Group (BIWG), complemented by the participation of the Director of Joint Interagency Task Force—South (JIATF—South). The Mexican delegation visited JIATF-South and gained a better understanding of the operational capabilities related to information exchange. Post-seizure analysis and information sharing have increased, but will require more attention. To better target the cross-border activities of drug traffickers, the United States and Mexico regularly prepared joint border threat assessments. These assessments served to develop a stronger mutual understanding of threats on both sides of the border.

As a result of close bilateral cooperation, implementation of major border projects progressed impressively during 2004. The Advanced Passenger Information System (APIS) entered into operation in April 2004, permitting authorities to compare airline passenger manifests against criminal databases. The U.S. Government arranged for the procurement and installation of Portal Vehicle and Cargo Inspection Systems (VACIS) at ports of entry at Colombia (Nuevo Leon), Nuevo Laredo (Tamaulipas), Piedras Negras (Coahuila), Nogales (Sonora), and Mexicali (Baja California). U.S. officials also supported the installation of a railroad VACIS unit at Mexicali and a pallet VACIS at Mexico City's International Airport. Contractors made important progress in preparing design drawings for new or expanded SENTRI (Secure Electronic Network for Traveler's Rapid Inspection) Lanes at Tijuana (Baja California), Mexicali, Nogales, Nuevo Laredo, Matamoros (Tamaulipas), and Ciudad Juarez (Chihuahua). Completion of these new or expanded SENTRI lanes should occur during 2005, which will facilitate the cross-border movement of travelers who have enrolled in the program and undergone background investigations. Tax Administrative Service (SAT) personnel continued to operate three Mobile X-Ray Vans (donated to the GOM in December 2003) at three airports, contributing to the detection and seizure of bulk smuggling of millions of dollars in drug-related currency. Software engineers developed a test version of Border Simulation software and collected data at various ports of entry. This software will help Mexican officials to evaluate needs and plan infrastructure and staffing changes at ports of entry along the United States-Mexico border. While designed primarily to deter terrorist acts and facilitate cross-border movement of bona fide visitors, goods, and services, border security projects also help authorities to identify and arrest drug traffickers, detect and seize drugs, and confiscate other illicit contraband.

Institutional Development was a top priority program that enjoyed the full support of the Fox Administration. The Embassy's Law Enforcement Professionalization and Training Program successfully integrated Embassy Law Enforcement Committee (LEC) training requests with local, state, and federal training and technical assistance programs with positive results in 2004. The Narcotics Affairs Section (NAS) provided 100 training courses to over 4,000 police, investigators, and prosecutors at all levels. In late 2004, NAS initiated a five-week Police Investigations School (EIP) for all new AFI candidates, as well as current investigators. Roughly 175 AFI personnel graduated from the EIP, and the PGR Police Training Academy has taken over full responsibility for operating the EIP. Future U.S. support will be limited to equipment donations, technical consultations and other developmental innovations.

The Embassy worked closely with the PGR Office of Professionalization and Training on all aspects of training to build on successes of the past three years. In 2005, working jointly with PGR officials,

NAS programs will emphasize infrastructure development and enhancing self-sufficiency within the training institutions. Training will continue to play a major role in the transition to infrastructure development by increasing the number of Train-the-Trainer courses and other selective training to enhance the overall efficiency, effectiveness and quality of the curriculum, as well as the training institutions and instructors.

The Embassy anticipates sponsoring as many as 10 separate, five-week, Train-the-Trainer courses during 2005 for PGR, INM, and SFP personnel. It will dedicate seven of the courses to PGR personnel to fully staff the PGR Police Training Academy for the EIP and to assume instructional duties at the PGR Police Academy. Training will benefit not only investigative personnel, but also PGR prosecutors. Courses will include Ethics in Government, Management and Leadership, Anti-Corruption Investigations, as well as investigative courses to enhance prosecutors' overall case handling and presentation ability.

Building on this bilateral cooperation, GOM efforts to professionalize law enforcement institutions continued to produce tangible results. The PGR established a School of Criminal Investigation, entailing course work on basic crime investigation techniques. PGR leaders are planning to create a more universal basic law enforcement curriculum aimed at producing competent law enforcement officers at the state and local levels capable of carrying out professional criminal investigations leading to prosecutions. To strengthen the prosecutorial element, the PGR initiated a prosecutor training program to upgrade prosecutorial skills and permit better understanding of the investigation process.

Bilateral counternarcotics cooperation hit a historic high-water mark in 2004 and represented one of the most positive aspects of the bilateral relationship. Law enforcement personnel of both countries routinely shared sensitive information to capture and prosecute leaders of major drug trafficking organizations and seize important shipments of cocaine, heroin, marijuana, and methamphetamine. President Fox and Attorney General Macedo strove to identify and reduce corruption within federal police entities. Despite only three years in existence, the re-invented and reformed principal federal police, AFI, has developed into a premier police institution. Control of precursor chemicals has improved considerably since October 2002.

There are many new opportunities during these last two years of the Fox Administration to enhance the extremely positive and productive cooperation that both governments enjoy and to institutionalize the resulting close personal and operational relationships. The U.S. Government now enjoys an historic window in which to act. We must support Mexico's efforts in building institutions to reinforce and make permanent this unprecedented cooperation. Even with the remarkable progress made to date, Mexican police and prosecutors still need improved equipment, training, and investigative tools. We must continue to share intelligence and promote teamwork to fight money laundering, stop diversion of precursor chemicals towards drug production, and insure successful prosecutions of criminal.

Philippines

In the largest single raid of a clandestine lab in Philippine history, Philippine authorities in September, acting on intelligence developed from a joint USG-RP-Hong Kong (SAR) investigation, raided a methamphetamine mega-lab located in Cebu. GRP authorities arrested eleven people from the Philippines, Taiwan, the PRC (including Hong Kong)—all of them ethnic Chinese—and seized 498 kilograms of chlorophedrine and 80 gallons of liquid methamphetamine. The raid and arrests highlighted the Philippines' transition into a major methamphetamine producer and the role of transnational criminal group in production.

Russia

In 2002, the U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs (INL) negotiated a Letter of Agreement (LOA) with the GOR allowing direct assistance to the GOR in the area of counternarcotics and law enforcement. In 2004, DEA's International Training teams provided State Department-funded instruction to its Russian counterparts in Basic Drug Enforcement, Airport Interdiction, and Vehicle Interdiction. Progress continued on the Southern Border Project, a joint INL/DEA effort that will lead to the establishment of three mobile drug interdiction task forces based in Orenburg, Chelyabinsk, and Omsk along the Russian-Kazakh border. Also, the U.S. and Russia worked together to provide canine training to counternarcotics law enforcement officials from four Central Asian countries. The U.S. also provided technical assistance in support of institutional change in the areas of criminal justice reform, mutual legal assistance, anticorruption and money laundering.

Turkey

U.S. counternarcotics agencies report excellent cooperation with Turkish officials. Turkish counternarcotics forces have developed technically, becoming increasingly professional, in part based on the training and equipment they received from the U.S. and other international law enforcement agencies.

Switzerland

On March 15, 2004 Switzerland and the U.S. joined forces to curb the rise in illegal sales of prescription drugs over the Internet. The two countries called for international action in a resolution presented at the annual session of the UN Commission on Narcotic Drugs in Vienna. The joint resolution states that every country should introduce and enforce laws against the sale of narcotics and psychotropic drugs over the Internet. Swiss Medic, the Swiss Agency for Therapeutic Products, estimates that 4,000 to 8,000 packages containing medicines with narcotic drugs or psychotropic substances come across the border into Switzerland. The latest annual report by the UN's International Narcotics Control Board (INCB) highlighted that Switzerland had seen a large increase in seizures of narcotic drugs bought over the Internet, many of these originating from Pakistan. Pakistani authorities are said to be working with their Swiss counterparts to resolve the problem.

Ukraine

U.S. objectives are to assist Ukrainian authorities in developing effective counternarcotics programs in interdiction (particularly of drugs transiting the country), investigation, and demand reduction, as well as to assist Ukraine in countering money laundering. Officers from the Drug Enforcement Administration, the Department of Treasury, and the Department of Justice have conducted a number of training courses and conferences funded by the Department of State in the areas of drug interdiction, forensic science, money laundering and management training.

United Arab Emirates

The USG will continue to support the UAE's efforts to devise and employ bilateral/ multilateral strategies against illicit narcotics trafficking, border/export control and money laundering. The USG and UAE are starting discussions on MLAT and extradition treaties, which would facilitate the exchange of information related to drug and financial crimes. The USG will encourage the UAEG to focus enforcement efforts on dismantling major trafficking organizations and prosecuting their leaders, and to enact export control and border security legislation.

Saudi Arabia

Saudi officials actively seek and participate in U.S.-Sponsored training programs and are receptive to enhanced official contacts with DEA.

Iceland

DEA will continue to support Icelandic requests for U.S.-sponsored training. The DEA office in Copenhagen and the Regional Security Office in Reykjavik have developed good contacts in Icelandic law enforcement circles for the purpose of cooperating on narcotics investigations and interdiction of shipments. The USG's goal is to maintain the good bilateral law enforcement relationship that up until now has facilitated the exchange of intelligence and cooperation on controlled deliveries. The USG will continue efforts to strengthen exchange and training programs in the context of mission effort to strengthen law enforcement, homeland security, and counterterrorism ties with Iceland.

Egypt

The U.S. counternarcotics policy in Egypt is to engage the GOE in a bilateral program to reduce narcotics transshipments and decrease opium poppy and cannabis cultivation. The policy includes the following specific objectives: increase training to ANGA and other government offices responsible for narcotics enforcement; assist with the identification of illegal crop eradication targets; improve narcotics interdiction methodology; improve intelligence collection and analysis.

In fiscal year 2005, the U.S. Government plans to increase its joint operations with ANGA, moving beyond a previously predominant focus on monitoring the problem. This will involve the DEA country office continuing to work closely with ANGA on joint investigations, as well as improving interdiction and eradication techniques and developing additional sources of information on trafficking and production. The U.S. Government also plans to provide additional training in financial investigations, drug interdiction, anticorruption measures, border control operations, and chemical identification and control.

Turkey

U.S. Policy Initiatives and Programs: U.S. policy remains to strengthen Turkey's ability to combat narcotics trafficking, money laundering and financial crimes. Through fiscal year 1999, the U.S. Government extended \$500,000 annually in assistance. While that program has now terminated, during 2004-05 the U.S. Government anticipates spending approximately \$100,000 in previously-obligated funds on counternarcotics programs.

U.S. counternarcotics agencies report excellent cooperation with Turkish officials. Turkish counternarcotics forces have developed technically, becoming increasingly professional, in part based on the training and equipment they received from the U.S. and other international law enforcement agencies.

Ukraine

U.S. objectives are to assist Ukrainian authorities in developing effective counternarcotics programs in interdiction (particularly of drugs transiting the country), investigation, and demand reduction, as well as to assist Ukraine in countering money laundering. Officers from the Drug Enforcement Administration, the Department of Treasury, and the Department of Justice have conducted a number of training courses and conferences funded by the Department of State in the areas of drug interdiction, forensic science, money laundering and management training.

Argentina

Cooperation between the USG and Argentine authorities, both federal and provincial, continued to be excellent in 2004. During 2004, USG assistance supplied a wealth of equipment and training programs for Argentine law enforcement personnel. Examples of USG-funded programs in 2004 include: Two law enforcement tactical training courses provided by DEA; a money laundering course sponsored by the Department of Homeland Security (ICE); an airport narcotics interdiction course sponsored by DEA/INL; and a prevention seminar held in conjunction with SEDRONAR sponsored by PAS (Public Affairs Section) and INL. DEA/INL also sponsored several GOA law enforcement professionals, participation in regional training programs. In addition to providing valuable training opportunities, Post's DEA detachment supports the Northern Border Task Force (NBTF), Group Condor, and starting in 2004, the Mendoza Airport Task Force. The DEA-supported task forces demonstrate the benefits of interagency cooperation, and GOA officials have expressed interest in expanding the program to develop task forces in other narcotics trafficking hot spots.

Ecuador

Ecuadorian Government officials met frequently with their Colombian counterparts concerning border issues. Ecuadorian police operational and intelligence communications systems now being developed provide for compatibility with other police agencies in the region to facilitate a rapid exchange of information.

Chile

During 2004, the U.S. Government pursued numerous initiatives based on the above priorities. These include: 1) a two-part training series on the nationwide drug intelligence computer network for carabineros; 2) the first Intellectual Property Rights week including a workshop for law enforcement and prosecutors, public awareness campaign and youth concert; 3) the first presentation on drug abuse prevention programs by students from four communities as a result from the launch of PRIDE in 2003; 4) an INL-funded judicial reform intensive training program for prosecutors and defenders, preceded by Digital Video Conferences with the University of the Pacific; 5) an INL-funded seminar for judges on DNA Forensic Technology; 6) a workshop for Chilean authorities on how to investigate Intellectual Property Rights crimes; 7) a DOJ-funded course on cybercrime for prosecutors, law enforcement and government officials from five countries; 8) a public affairs section grant to Fundacion Paz Ciudadana to implement ADAM (Arrestee Drug Abuse Monitoring); 9) five CHIPRED representatives participated in a voluntary visitor program on managing drug abuse prevention programs; 10) one IVP on the Financial Intelligence Unit; 11) two U.S. speakers on drugs in the workplace and drug courts; 12) INL-funded support of the police to provide equipment for counternarcotics operations; 13) two IVPs on drug prevention and drug prosecution; 14) a series of radio programs on drug prevention recorded and distributed to more than 80 radio stations; 15) continued discussions towards updating the 1900 U.S./Chile extradition treaty.

Venezuela

The INL program in Venezuela is grouped into five projects: interdiction, administration of justice, chemical control, money laundering control, and public awareness.

Components of the interdiction project include seaport security, airport security, and border security, with a particular emphasis on shutting down the Tachira-Puerto Cabello cocaine transit corridor. A state-of-the-art cargo inspection facility is under construction at Puerto Cabello and should be fully operational by mid-2005. Two permanent U.S. Customs and Border Protection inspectors were assigned as advisors to the interdiction project in 2004. The expansion of this team's area of

responsibility to include the Cuccuta (Colombia)-San Antonio de Tachira border point of entry on the Pan-American Highway documented the seizure of over half a ton of cocaine in early December 2004.

The interdiction project also focuses on reducing the flow of heroin and cocaine through Maiquetia International Airport to the U.S. and Europe. X-ray equipment provided by post's INL/Narcotics Affairs Section resulted in near-daily drug seizures at Maiquetia, including a record heroin seizure of 66 kilograms in May 2004.

Components of the administration of justice project include extensive support for the Prosecutor's Drug Task Force, training, and the purchase of 160 computers to run the Prosecutor General's new Case Management System at field offices around the country. Extensive work was also done under this project to install two interconnected local area networks of computers at the Venezuelan drug czar's offices in Caracas.

Also in 2004, the embassy's INL/Narcotics Affairs Section undertook a landmark study to document and analyze Venezuela's 2003 cocaine and heroin seizures. A number of deficiencies and limitations in the current law enforcement and judicial system were discovered or better understood, and seizure report errors for 2003 were corrected.

Mozambique

The USG sends Mozambican law enforcement officials and prosecutors to regional training programs through the International Law Enforcement Academy (ILEA) for Africa in Botswana. Law enforcement officials have also received training at ILEA New Mexico. The State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) provides support to the attorney general's anticorruption unit and the police sciences academy (ACIPOL) near Maputo. The funds have provided for training, specialized course instruction, instructor development, and curriculum development for ACIPOL. The anticorruption unit, which began operations in November 2002, has received specialized training and advisor visits through the Department of Justice OPDAT (Overseas Prosecutorial Development Assistance and Training) program. With USAID assistance, the anticorruption unit was able to open fully equipped offices in Beira and Nampula in 2004, expanding operations that were formerly based only out of Maputo.

Netherlands

Despite excellent operational cooperation between U.S. and Dutch law enforcement agencies, concern remains over the Netherlands' role as the key source country for MDMA/Ecstasy entering the U.S. Embassy The Hague continues to make the fight against the Ecstasy threat one of its highest priorities. Although the Dutch and U.S. agree on the goal, we differ over which law enforcement methodology is most effective in achieving it. The Dutch continue to resist criminal undercover "sting"-type operations in their investigations of drug traffickers. Manpower constraints also prevent them from pursuing international and organized crime aspects of each Ecstasy investigation. The third bilateral law enforcement talks, which were held in The Hague in March 2004, resulted in additional points included in the "Agreed Steps" list of actions to enhance law enforcement cooperation in fighting drug trafficking. Since 1999, the Dutch Organization for Health Research and Development (ZonMw) has been working with the U.S. National Institute on Drug Abuse (NIDA) on joint addiction research projects.

Malaysia

U.S. counternarcotics training continued in 2004 via the International Law Enforcement Academy (ILEA) in Bangkok and the "Baker-Mint" program sponsored by the U.S. Department of Defense. Baker-Mint aims to raise the operational skill level of local counternarcotics law enforcement officers.

The Department of State Assistant Secretary, International Narcotics and Law Enforcement, visited Malaysia in May 2004, meeting with senior police officials and community drug treatment leaders.

Macedonia

DEA officers work closely with the Macedonian police, support coordination of regional counternarcotics efforts, and organize specialized training for Macedonian police officers in the United State. Macedonian police and customs officers benefited in 2004 from a two-month specialized law enforcement course, which also covered counternarcotics issues, at the U.S.-funded ILEA regional training facility in Budapest. MOI police, financial police, customs officers, prosecutors, and judges received State Department-financed training in specialized anti-organized crime operations and techniques. U.S. Customs officials continued to provide technical advice and assistance to Macedonian Customs and the MOI's Border Police.

China

Counternarcotics cooperation between China and the United States continues to develop in a positive way. This cooperation is yielding significant operational results. The information shared by China is leading to progress in attacking drug-smuggling rings operating between the two countries. Chinese authorities continue to share drug samples with U.S. colleagues on a case-by-case basis. In August 2004, the DEA, in conjunction with the NNCC, convened two conferences on precursor chemical control in Shanghai and Nanling, Guangxi Province to provide training to law enforcement officers from China police and customs.

Czech Republic

Czech police consider cooperation with the U.S., German, Austria, Israel, Switzerland and the UK as very good. Czech and German police continue to cooperate in Operation Crystal to combat Pervitin trafficking.

Cambodia

U.S.-Cambodia bilateral counternarcotics cooperation is hampered by restrictions on official U.S. assistance to the central government of Cambodia that have remained in place since the political disturbances of 1997. Cambodia regularly hosts visits from DEA personnel based in Bangkok, and Cambodian authorities cooperate actively with DEA. U.S. officials raise narcotics-related issues regularly with Cambodian counterparts at all levels, up to and including the Prime Minister. DEA provided basic narcotics training to Cambodian counternarcotics police in December 2004. During this same month, DOD conducted the first in a series of Joint Interagency Task Force—West (JIATF-West) training missions. The three-week mission trained personnel from the Cambodian police, military, and the Immigration Department. The training was conducted in Koh Kong province and was designed to increase the capacity of Cambodian security forces that are charged with controlling the Thai-Cambodian border. In 2004, the U.S. provided support for a UNODC project to conduct a national survey to collect baseline data on illicit drug use and the associated HIV/AIDS risk. This is the first such study to be conducted in Cambodia and will provide key information needed to develop an effective counternarcotics/HIV Treatment/Prevention strategy for the country.

Belgium

The United States and Belgium frequently share counternarcotics information. Officials in the Federal Police, Federal Prosecutor's Office, and Ministry of Justice who work on counternarcotics in the GOB are fully engaged with their U.S. counterparts.

Austria

Austrian cooperation on U.S.-interest drug cases is excellent. In the past, Austrian interior ministry officials have exchanged lessons-learned with the FBI, DEA and Department of Homeland Security to improve enforcement techniques. Austria and the U.S. operate a joint "contact office" in Vienna that serves as a key facilitator for flexible and speedy anticrime cooperation. The U.S. Embassy regularly sponsors speaking tours of U.S. narcotics experts in Austria.

Israel

DEA officials characterize cooperation between the DEA and the INP as outstanding. All DEA investigations related to Israel are coordinated through the DEA Nicosia Country Office.

Pakistan

Through the State Department-funded Counternarcotics Program and Border Security Projects, the United States provides operational and commodity assistance to ANF, as well as funding for demand reduction activities and training. The State Department also funds alternative crop, small-scale development, and road building projects in Bajaur, Mohmand and Khyber Agencies of the FATA. The roads, which open up inaccessible areas, allow forces to eradicate poppy crops, while facilitating farm-to-market access for legitimate crops. The U.S. also funds Narcotics Coordination Cells in both the Home Department NWFP and the FATA Secretariat to help coordinate counternarcotics efforts in the province and tribal areas. In addition, the USG provided commodity assistance to Frontier Corps NWFP and Balochistan, who perform counternarcotics missions along the border. The State Department-supported MOI Air Wing program will provide significant benefits to counternarcotics efforts as well, while advancing its primary counterterrorism goal.

The DEA provides operational assistance and advice to ANF's SIC. The ANF continues to cooperate effectively with DEA to raise investigative standards. New investigative equipment, vehicles, and surveillance motorcycles were provided this year. The unit continues to perform work throughout Pakistan, and their DEA-supported expansion began, including the equipping of a new facility and ongoing training.

Bulgaria

DEA operations are managed from Embassy Athens. The USG also supports various programs through the State Department, USAID, Department of Justice (DOJ) and the Treasury Department to address problems in the Bulgarian legal system. These initiatives address a lack of adequate equipment (e.g., in the Customs Service), the need for improved administration of justice at all levels and inadequate cooperation among Bulgarian agencies. A DOJ resident legal advisor works with the Bulgarian government on law enforcement issues, including trafficking in drugs and persons. An American Bar Association/Central and East European Law Initiative criminal law liaison advises Bulgarian prosecutors and investigators on cyber-crime and other issues. A Treasury Department representative enhances the capacity of the Bulgarian justice sector to investigate and prosecute financial crimes, including money laundering. USAID provides assistance to strengthen Bulgaria's

constitutional legal framework, enhance the capacity of magistrates and promote anticorruption efforts.

Brazil

Bilateral cooperation on counternarcotics between the USG and the GOB has never been better. Brazil and the U.S. are seeking to meet all goals set forth in the bilateral Letter of Agreement (LOA) on counternarcotics. As agreed to by Brazil and the U.S., programs implemented in 2004 included: cooperation with the Regional Intelligence Center of Operation COBRA; expansion of COBRA prototype to other areas of the country, a country-wide conference on money laundering in Brasilia; and a SENAD project that involves a partnership with the Ministry of Education to provide long distance drug prevention training to over 5,000 teachers nation wide via the educational television network.

Brazil continues to be actively involved in the International Drug Enforcement Conference (IDEC). Worldwide conferences are held annually, and sub-regional conferences are held approximately six months after the general conference. These conferences, sponsored and supported by DEA, bring law enforcement leaders from Western Hemisphere countries together to discuss the counternarcotics situations in their respective countries and to formulate regional responses to the problems they face. Brazil participates in both the Andean and Southern Cone Working Groups.

Operation Seis Fronteras (Six Borders) is part of a highly-successful regional exercise involving Brazil, Bolivia, Colombia, Ecuador, Peru, Venezuela, and the U.S. DEA to concentrate counternarcotics law enforcement efforts in the area of precursor chemicals.

A number of conferences, training programs, and seminars took place during in 2004. Brazilian Federal and State Police were sent for training to the U.S. on various occasions. USG representatives—DEA, DHS, FBI, U.S. Coast Guard and others—and others visited Brazil to train GOB counternarcotics units.

Bolivia

The GOB and Embassy meet routinely at all levels and across several functional entities to coordinate policy, to implement programs/operations and to resolve issues. INL, through the Embassy's Narcotics Affairs Section (NAS) and its Air Wing, supports and assists all interdiction and eradication forces. USAID represents the largest of all international donors in supporting GOB policy and programs in AD. This support is defined by Letters of Agreement (LOAs) signed annually with the GOB.

Dominican Republic

Cocaine and heroin trafficking, money laundering, institutional corruption, and reform of the judicial system remain the U.S.' primary counternarcotics concerns in the DR. The USG and the GODR cooperate to develop Dominican institutions that can interdict and seize narcotics shipments and conduct effective investigations leading to arrests, prosecutions, and convictions. The USG will continue to urge the GODR to improve its asset forfeiture procedures and its capacity to regulate financial institutions, develop and maintain strict controls on precursor chemicals, and improve its demand reduction programs.

During 2004, the U.S. provided essential equipment and training to expand the counternarcotics canine units, supported the DNCD's vetted special investigation unit, and funded assessments of airport and port security against narcotics trafficking and terrorism. The U.S. Transportation Security Agency (TSA) gave Santo Domingo's Las Americas Airport ninety days to improve deficient aspects of security, and airport authorities succeeded, through considerable effort, in avoiding penalties.

The U.S. delivered one thirty-foot rigid hull inflatable boat and one landing craft to the Dominican Navy to help counternarcotics trafficking and illegal migration. The U.S. also assisted the Dominican Navy with its equipment maintenance and training programs and assessed requirements to outfit the Navy shore detachments.

The U.S. has funded training to the DNCD Fugitive Surveillance Unit, helping it locate, apprehend, and extradite individuals wanted on criminal charges in the U.S. Enhanced computer training, database expansion, and systems maintenance support were provided to the DNCD.

The Dominican Navy and Air Force have a direct communications agreement with the U.S. Coast Guard's regional operations center (Sector San Juan) in San Juan, Puerto Rico. Dominican Navy vessels have participated in a few maritime drug seizures, and Navy shore patrols have disrupted illegal migration voyages, another favorite method for smuggling drugs.

USAID's "Strengthened Rule of Law and Respect for Human Rights" program continues to work with the Dominican court, public defender, and prosecutorial systems to improve the administration of justice, enhance access to justice, and support anticorruption programs. Improvements achieved to date include implementation of a new criminal procedures code which better protects the rights of the accused and requires a stricter adherence to the due process of law, and speedier, more transparent judicial processes managed by better trained, technically competent, and ethical judges. The USAID program provides training to prosecutors and public defenders in applicable basic criminal justice legal advocacy skills and has offered training in complex criminal case investigations and prosecutions.

The U.S. Department of Justice and Department of State provided advanced management training to senior police officers, including two from DNCD, at the International Law Enforcement Academy (ILEA) in Roswell, NM. DEA offered a basic drug intelligence course for the DNCD in December. Five DNCD officers attended FBI training focused on high risk arrest tactics.

The U.S. Department of Homeland Security worked closely with Dominican business associations to establish a Dominican chapter of the Business Anti-Smuggling Coalition (BASC). This voluntary alliance of manufacturers, transport companies, and related private sector entities has agreed to meet stringent security standards to prevent smuggling by means of their operations and to receive surprise inspections at any time. The BASC approach has proven successful in other Latin countries in minimizing contraband and promoting honest business activity. In 2004, five Dominican companies met the strict criteria for BASC certification.

The DNCD, with U.S. and Dutch support, made plans to establish a canine unit for narcotics detection at Puerto Plata International Airport, bringing that facility, allegedly a smugglers' favorite, into line with units at Santo Domingo, Santiago, Punta Cana, and La Romana airports.

The U.S. is planning to deploy a U.S. mobile training team for the DNCD's border units and provide increased support for Dominican naval patrols of the Mona Passage.

With U.S. Department of Homeland Security leadership and DEA support, the Dominican Port Authority and the DNCD maintained good security at the formerly chaotic Santo Domingo terminal of the ferry to Puerto Rico. A 2003-04 project has improved passenger processing and established controls to detect and prevent smuggling of drugs and other contraband. U.S. agents also provided advice on the prevention of smuggling to the owners of the new Caucedo container terminal, which commenced full operation in 2004.

The Drug Enforcement Administration (DEA)-funded Caribbean Center for Drug Information at DNCD headquarters permits real-time sharing and analysis of narcotics-related intelligence among all the nations of the Caribbean Basin. Similar centers are established in Mexico, Colombia, and Bolivia.

Bahamas

During 2004, the U.S. State Department's Bureau of International Narcotics and Law Enforcement Affairs, Bahamas Country Program, administered by the U.S. Embassy's Narcotics Affairs Section (NAS), funded training, equipment, travel and technical assistance for a number of law enforcement and drug demand reduction officials. In February 2004, NAS and the GCOB agreed to discontinue the Bahamian Customs Department's canine unit at the Freeport Container Port due to its high maintenance cost and its failure to produce expected results. NAS has been working closely with Customs officials to identify other cost efficient programs to protect the Container Port from drug traffickers. NAS procured computer and other equipment to improve Bahamian law enforcement capacity to target trafficking organizations through better intelligence collection and more efficient interdiction operations. In recent years, NAS donated three interceptor boats to the GCOB. These boats have been deployed around Bahamian waters and have participated in a number of significant seizures of "go-fast" drug smuggling vessels. This year, NAS assisted in providing them with vital maintenance and parts not available in the country. In addition, NAS funds continued to be used to cover important operational expenses, such as utilities, repairs and maintenance for three OPBAT bases in George Town, Great Exuma; Matthew Town, Great Inagua; and at the Atlantic Undersea Test and Evaluation Center (AUTEC,) Andros Island. NAS also provided funding to The National Drug Council and the Drug Action Service to extend their demand reduction education campaign to the Family Islands.

Jamaica

The U.S. and Jamaica cooperate in a variety of areas, including maritime interdiction, the apprehension of fugitives, and initiative relating to community-police relations. U.S. law enforcement agencies note that cooperation with the GOJ is generally good and is steadily improving.

The JDF Coast Guard (JDFCG) engages in cooperative operational planning with the U.S. Coast Guard on an intermittent basis associated with joint military operations in or near Jamaica's territorial waters. During 2004, Jamaica participated in two deployments of Operation Rip Tide, a continuing U.S./Jamaica/Cayman Islands/UK effort to deny smugglers the use of maritime smuggling routes into Jamaica and the Cayman Islands. The bilateral maritime counternarcotics agreement was successfully exercised on several occasions during 2004. In July, the U.S. and Jamaica negotiated, but have not yet signed, a protocol to the bilateral agreement that would add provisions for operations from third party platforms, enhancement of safety for civil aircraft in flight, contiguous zone jurisdiction, and technical assistance. On October 15, the GOJ signed the Caribbean Regional Maritime Agreement.

The JDF currently lacks the force projection capabilities (fixed-wing aircraft and off-shore patrol boats) required to make continuous joint operations with the U.S. a practical activity. One of the three 44-foot fast patrols boats donated in 2003 is now operational, giving JDG more operational flexibility. Three JDFCG crew members, assigned to the U.S. Coast Guard Caribbean Support Tender in 2002, a U.S. Coast Guard vessel with a multi-national crew that provides training and assistance in ship maintenance and repairs to Caribbean maritime forces, will be on board until August 2005. As part of this program, on December 15th, the USCG delivered a refurbished Eduardono, a 38-foot high-speed pursuit boat, to the JDF/CG along with other spare parts necessary to maintain an operational status for most of the current JDF/CG fleet.

In 2004, the U.S. funded participation by Jamaican police, immigration, customs, defense force and other personnel in several in-country and regional training courses. The U.S. continues to fund an advisor to the National Intelligence Bureau and a Law Enforcement Development Advisor to assist the JCF's strategic planning and reform efforts. Members of the highly effective Jamaica Fugitive Apprehension Team (JFAT), with guidance from U.S. Marshals, received specialized training, equipment and operational support. The JFAT is actively working on over 195 cases, the majority of

which involve drug or homicide charges. Since January 2004, 15 fugitives were extradited to the U.S. Jamaican authorities are receptive to and cooperative with U.S. requests for extradition, and continue to work with U.S. authorities to accelerate the extradition process. Nonetheless, contested extradition requests can take two to five years to litigate fully.

The U.S.-funded International Office of Migration (IOM) Border Control Project, designed to strengthen the GOJ's ability to monitor the flow of persons into and through Jamaica, was officially launched on November 1, 2004. This pilot project, which has modernized the computer infrastructure at the ports of entry, is now functional. USAID is continuing with a program of assistance to the JCF in community-police relations that will focus on strategies to reduce crime and violence.

United States Coast Guard

Overview

The Coast Guard's multiyear campaign plan to combat the dynamic maritime drug trafficking threat, Campaign Steel Web, is continually evolving to reflect changes in drug trafficking trends.

Steel Web 2005 is fully aligned with the National Drug Control Strategy (NDCS), the National Interdiction Command and Control Plan (NICCP), national security and other directives complementing the contributions of our law enforcement (DOJ/DEA, DHS/ICE, CIS, CBP and local LEAs) and DoD partners in this effort.

Three pillars form the foundation of Steel Web 2005:

- Denial of maritime drug smuggling routes by developing a dynamic interdiction presence in the transit and arrival zones, in response to tactical intelligence information, focusing limited resources to maximize the removal of cocaine being smuggled via three major smuggling vectors: Eastern Caribbean, Western Caribbean and Eastern Pacific.
- Strengthening ties with source and transit zone nations to increase their capabilities in maritime law enforcement, reduce drug-related activities, and enhance legitimate commerce within their territorial limits. Support local, state and federal interagency efforts to combat drug smuggling through coordinated operations planning and execution.
- Implement the latest research and development (R&D) and off-the-shelf technologies available, to better equip Coast Guard assets to detect, monitor and interdict suspect vessels, and to locate contraband during boardings and searches.

The key to success of Steel Web 2005 is adherence to the concept of centralized operational planning and decentralized execution, which includes maintaining the flexibility to respond to tactical intelligence and information. Pursuit of international engagement opportunities also is necessary, which occurs at the tactical, theater and strategic levels. Partnering with law enforcement officials of other nations helps develop indigenous interdiction forces, and enhances the cumulative impact of interdiction efforts directed at drug traffickers in the region. Maintenance and training support through exportable training and the Caribbean Support Tender make for more effective Counternarcotics partners. The fruits of R&D and off-the-shelf technology are enabling more effective deployment of assets.

Combined Operations

The Coast Guard conducted several maritime counternarcotics operations in 2004 in coordination and/or cooperation with military and law enforcement forces from: the French West Indies, United Kingdom and its Overseas Territories, Netherlands and Netherlands Antilles, and Jamaica. Recently a combined U.S. and Colombian surge operation featured for the first time ever a Coast Guard HU-25 Guardian jet flying directly in support of Colombian forces, providing over-the-horizon targeting of drug laden go-fast vessels.

International Agreements

Increasing the number of bilateral agreements to 30 between the U.S. and our Central, South American and Caribbean partner nations is moving toward our goal of eliminating safe havens for drug smugglers. In June 2004, the United States and The Bahamas signed the Comprehensive Maritime Agreement (CMA) addressing cooperation in maritime law enforcement across a spectrum of missions. The CMA is a more flexible and sustainable approach to law enforcement operations, replacing a patchwork of dated agreements.

International Cooperative Efforts

In 2004, the Coast Guard prosecuted 104 narcotics smuggling events, which resulted in the seizure of 71 vessels, the arrest of 326 suspected smugglers, and the seizure of 241,713 pounds of cocaine and 25,915 pounds of marijuana. Many of the 104 events involved some type of foreign support or cooperation, either through direct unit participation, exercise of bilateral agreements, granting permission to board, or logistics support.

U.S. Customs and Border Protection

The Department of Homeland Security, Customs & Border Protection (CBP) processes goods, merchandise, and people entering and exiting the United States. CBP officers intercept contraband, illicit goods, and unreported currency as it crossing our borders. Interdiction efforts are targeted in order to minimize impact on legitimate trade by utilizing techniques of selectivity to identify high-risk shipments for intensive examination. CBP now incorporates the additional border control functions of passport control and agriculture inspections to provide seamless border control processing termed, "One Face at the Border." CBP has jurisdiction between ports of entry under the authority of the Border Patrol. CBP responds to the nation's terrorism priorities by developing strategic programs to increase port security. CBP is an integrated border control agency that operates at a high level of efficiency and integrity. On the average day, CBP examines 1.3 million arriving passengers, 410,000 arriving conveyances, seizes \$500,000 in currency and 4 tons of narcotics, arrests 2600 fugitives or violators, while facilitating commercial trade and collecting \$52 million in duty. The State Department Bureau for International Narcotics and Law Enforcement Affairs and CBP promote international cooperation through interagency agreements providing training and assistance programs throughout the world. The agreements enable CBP to deliver a variety of training, high-tech tools, and management strategies for combating transnational crime, thereby promoting international law enforcement.

International Training and Assistance

CBP provided technical training and assistance in support of the International Law Enforcement Academy (ILEA) programs currently operating in Bangkok, Budapest and Gaborone in 2004. The mission of the ILEA is to promote social, political, and economic stability by combating crime. To achieve this goal, ILEA provides high-quality training and technical assistance, supports institution building and enforcement capability and fosters improved relationships between American law enforcement agencies and their counterparts in the region. ILEA encourages strong partnerships among regional countries to address common problems associated with criminal activity. CBP has developed and conducted specialized training on topics which include: International Controlled Deliveries and Drug Investigation conducted jointly with DEA; Complex Financial Investigations conducted jointly with IRS; Intellectual Property Rights conducted with the FBI; and a Customs Forensics Lab Course. CBP provided assistance for 14 ILEA programs.

In 2004 CBP officials conducted textile production verification teams (TPVT) in South Africa, Lesotho, Madagascar and Swaziland. The team in South Africa was following up on close to \$4 million in seizures for counterfeit certificates of origin for apparel in which South African origin claims were made. No African Growth and Opportunity Act (AGOA) claims were made for these shipments. Over 40 factories were found to be fictitious and a number of legitimate factories had their names used on commercial invoices for goods that were falsely claiming South Africa origin. CBP also participated in free trade negotiations with the South African Customs Union (SACU) in Namibia and provided some instructions on the rules of origin proposed under the U.S./SACU free trade agreement to the participants there (South Africa, Namibia, Botswana, Lesotho and Swaziland).

Industry Partnership Programs

Currently, CBP manages the Customs-Trade Partnership Against Terrorism (C-TPAT) designed to deter and prevent the entry of contraband and WMD into the United States via commercial cargo and conveyances. CBP enlists the support of the trade community in supply chain security-related activities, both domestic and abroad.

C-TPAT developed from previous industry partnership programs such as the Carrier Initiative Program, the Business Anti-Smuggling Coalition, and the Americas Counter Smuggling Initiative. C-TPAT builds on the success of these programs in securing the cooperation of the trade to be alert to anomalies in commercial transactions.

Under the C-TPAT initiative, CBP is working with importers, carriers, brokers, and other industry sectors to develop a seamless security-conscious environment throughout the entire commercial process. By providing a forum in which the business community and CBP can exchange antiterrorism ideas, concepts, and information, both the government and business community will increase the security of the entire commercial process from manufacturing through transportation and importation to ultimate distribution. This program underscores the importance of employing best business practices and enhanced security measures to eliminate the trade's vulnerability to terrorist actions.

C-TPAT is a cooperative endeavor. The program calls upon the trade community to establish procedures to enhance their existing security practices and those of their business partners involved in the supply chain. Once these procedures are in effect, imports of C-TPAT members may qualify for expedited CBP processing and reduced exams at ports of entry.

Port Security Initiatives

In response to increased threats of terrorism, CBP developed innovative programs that seek to identify high-risk shipments to the United States before they reach our ports. Outlined are the Container Security Initiative (CSI) and Plan Colombia.

The Container Security Initiative (CSI) addresses the threat to border security and global trade posed by the potential for terrorist use of a maritime container. The Initiative proposes a security regime to ensure all containers that pose a potential risk for terrorism are identified and inspected at foreign ports before they are placed on vessels destined for the United States. DHS's U.S. Customs and Border Protection (CBP) is now stationing multidisciplinary teams of U.S. officers from both CBP and the Bureau of Immigration and Customs Enforcement (BICE) to work together with their host government counterparts. Their mission is to target and pre-screen containers and to develop additional investigative leads related to the terrorist threat to cargo destined to the United States.

Through CSI, CBP officers work with host customs administrations to establish security criteria for identifying high-risk containers. Those administrations use non-intrusive technology to quickly inspect the high-risk containers before they are shipped to U.S. ports. Additional steps are taken to enhance the physical integrity of inspected containers while en route to the U.S. Worldwide, 33 ports were CSI operational at the end of 2004 with plans to increase that number in 2005.

Under Plan Colombia, CBP developed and implemented an initiative focusing on narcotics interdiction efforts, combating the Black Market Peso Exchange, intelligence gathering, and bilateral cooperative efforts between the governments of the U.S. and Colombia. In support of Plan Colombia, CBP provided training and assistance focusing on integrity, border interdiction, trade fraud, intelligence collection, industry partnership programs, and financial crimes issues in Colombia. In addition, an Andean Regional Initiative was developed to counter the effects of Plan Colombia in the Andean Region. Since its inception, Plan Colombia has provided about \$1.3 million in basic tools, vehicles, high-tech equipment, and training to the Colombian National Police and Colombia Customs.

Customs Mutual Assistance Agreements

The United States has CMAAs with most of our major trading partners and with many other strategically important governments. CMAAs provide for mutual assistance in the enforcement of custom-related laws, and U.S. Customs and Border Protection utilizes these agreements to assist in

evidence collection for criminal cases. U.S. courts have rules that evidence gathered via these executive agreements is fully admissible in U.S. court cases.

Training in the U.S.

International Visitors Program (IVP). Visiting foreign officials consult with appropriate high level managers in CBP Headquarters, and conduct on-site observational tours of selected ports and field operations. The focus includes narcotics enforcement policies, port security issues, counterterrorism programs and intelligence operations. The IVP was delivered to 1305 participants for 225 programs to benefit 150 countries during 2004.

Canine Training (U.S.-Based). Designed to assist countries in the use of detector dogs the training center provides a variety of training, including handlers, trainers, and supervisors. The training center also provides support to countries in the development evaluation and enhancement of detector dog programs. In 2004 4 students, 2 each from Trinidad and Guam trained at the canine academy in the U.S. In the same period, 3 technical trainers traveled to Guam, Curacao, and St. Maarter to provide technical assistance with detector dog programs in those jurisdictions. In addition, training and operational development were provided to Bolivia, Ecuador and Venezuela.

Training in Host Countries

Overseas Enforcement Training. Program combines formal classroom training and field exercises for border control personnel. The curriculum includes narcotics interdiction, identifying falsified travel documents, targeting search techniques, WMD and hazardous materials identification in the border environment. The curriculum was recently updated to include an overview on the topic of antiterrorism. In 2004, training was delivered to 240 participants in 10 countries.

Short Term Advisory. Commits an on-site U.S. Customs expert to assist the host government agencies with selected projects of institution building and improved interdiction capabilities. These may focus on specific narcotics threats, port security, and counterproliferation of WMD. Advisors are also fielded for strategic planning, commercial processing, investigations, automation and border/trade facilitation. In FY2004, approximately 25 short term advisors were fielded to various countries in Latin America and the Caribbean.

Integrity/Anti-Corruption. Course is designed to promote professionalism and integrity within the workforce of agencies particularly vulnerable to bribery and corruption. Focus is on integrity awareness training and development of internal investigation organizations. The course was delivered to 200 participants in 8 countries in 2004.

Looking Ahead

The Department of Homeland Security began operations in January 2003. CBP, with its tradition in revenue collection and border protection, took its place with other agencies designated to combat terrorism. The long-standing mission of CBP in providing security to its citizens through targeted examination and interdiction play a major role in the new organization. Port security functions continue to be in the forefront focused on enforcement activities promoting domestic security and fighting the threat of international terrorism.

In the year 2005 border security will be strengthened through initiatives designed to examine containerized cargo prior to lading aboard ships destined for the U.S. CBP international missions will focus efforts to design training specifically designed for the needs identified for the countries, and emphasis will be placed on evaluating the effectiveness of our programs with objective measurement

techniques. Advisors, short- and long-term, will be fielded to assist countries to improve operations to meet recognized international standards for security and reporting.